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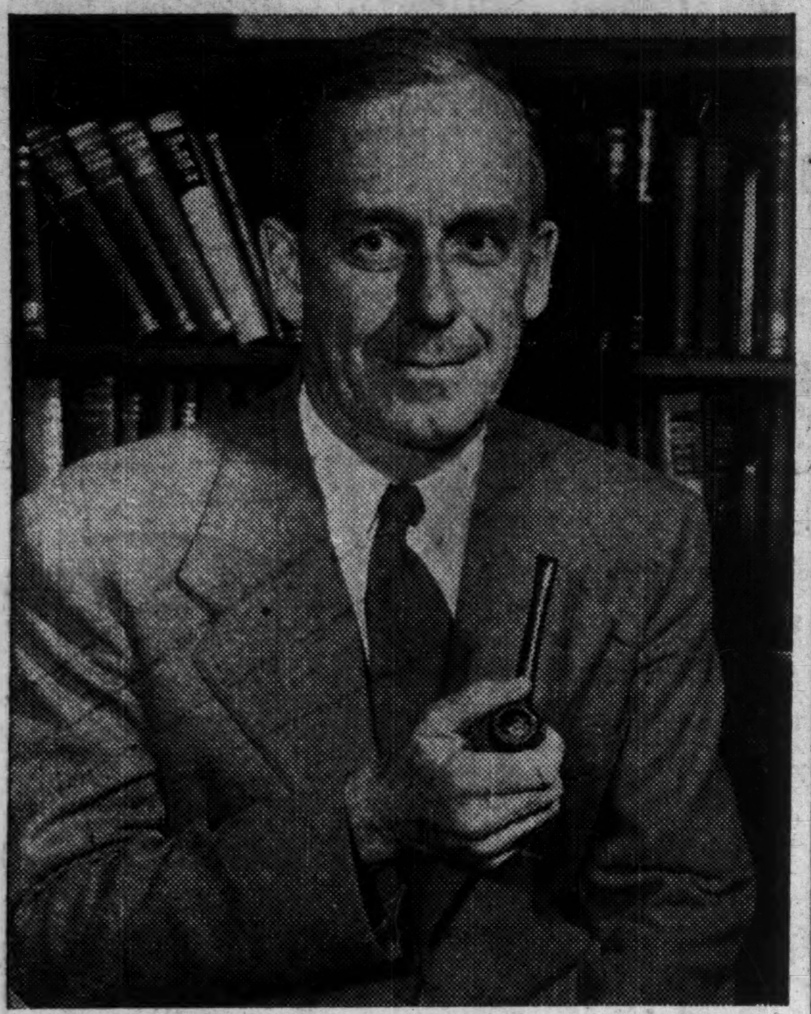
New Atomic Chief



Atom scientist Dr. E. W. R. Steacie, director of the Division of Chemistry in the National Research Council, becomes co-ordinator under President Dean C. J. Mackenzie of all National Research Council scientific activities, including Chalk River atomic developments, on his appointment as vice-president (scientific) of the Research Council, announced last week.

THE NATION'S BUSINESS

Red Union Bosses Too Big a Peril

It was only a small riot the Communists staged recently in New York but for many worried citizens it was an eye opener. A fairly broad area was virtually paralyzed for several hours by a small group of Stalin's North American troops.

Sabotage is a weapon in which Communists are specialists from away back, so naturally as our defense program develops, industrialists and authorities are increasingly fearful.

In the U.S. the FBI reportedly has some 50,000 U.S. Communists ticketed and under some degree of surveillance.

In Canada, it is believed there are some 12,000 card-holding Communists. The large proportion are well known to police.

But if the number is small, the peril they could present is great.

Control in Key Industry

Many are appalled that the strongest union in the industry which, last war, made radio, radar, and other electronic equipment, sighting devices, naval and anti-aircraft guns and many other vital wartime products is today Communist dominated.

Much of the labor producing copper, lead, zinc and which supplies most of the world's supply of nickel and which has a very direct tie-in with the production of atomic weapons is now in Canada Communist dominated.

Both unions, United Electrical and Mine, Mill and Smelter, have been expelled from the CIO and the CIL because of the Moscow hue of their leaders.

In shipbuilding, Communist direction of the unions has been pretty well eliminated on the east coast. But on Canada's west coast this industry has Communists dominating some unions.

West coast shipping still has Communist union bosses to deal with though known Red organizers have been pretty well weeded out on the Great Lakes and on the east coast.

Some very vital west coast power and transport utilities have Communist-dominated unions.

The pulp industry, another vital in peace or war, has Communist union bosses in North Western Ontario.

Some of the giant textile industry especially in Quebec has Communist-run unions.

To suppose that all Canada's Communists are known or that anybody has a good idea of what all of them are now up to or planning would be to expect far too much.

In peacetime, there is much to be said for the official Ottawa view that the best policy for dealing with the Communist menace at home is to let them stay above ground: that it would be improper in the extreme to interfere with an individual's liberty on the ground of what you think he thinks or on what you fear he may under certain circumstances do.

But can we call this peacetime? How long under the new circumstances of recent weeks will this policy be defensible and tolerable and safe? Not long, we think.

• • •

How Good Is Our Civilian Defense?

If war struck Canada tomorrow, would our civilian population be helpless?

The answer is not reassuring.

Since the last war, we have done a lot of talking about civilian defense, about what would happen if hostile bombers, perhaps loaded with atom bombs, suddenly appeared on the horizon.

But investigation by The Financial Post (see page 13) reveals that little but chaos, uncertainty and unpreparedness prevails.

Various levels of government are worried about jurisdiction. Nearly everybody seems to be waiting for Ottawa.

Who does what to whom with whose money and when seems to be a set of key questions floating high in the air.

This is a deplorable situation and since Korea an alarming one. We have had ample and terrible warning of what happened in Britain, in Germany and in Japan during the last war. Enormous advances in speed, range and carrying capacity of aircraft since then—advances unmatched by the defense against them—bring a similar danger closer and closer to this continent.

Panic Measures Won't Help

This is not a time for panic measures. There are only a few targets in Canada which would merit early attention by an enemy. It just isn't possible to provide complete defense anyway and we could cripple ourselves materially and strategically in the attempt.

But the British experience with civilian defense in the last war demonstrates that it's possible to reduce casualties 75% by adequate and practical precautions.

Keynote of those precautions was the closest co-operation between municipal and other authorities, unification of fire fighting equipment and methods, and a thorough understanding by the adult population of exactly what would be required of them in an emergency.

It is to be hoped that the Ottawa conference with provincial representatives, called for the next fortnight, will establish some realistic and practical pattern for getting ahead on this.

It is to be hoped, too, that local programs are put in the hands of people of real ability, people with perspective and above all, calm.

There will be a lot of excited and incompetent hot-heads eagerly angling for civil defense jobs. Let's not be exposed to that added peril.

Scramble for Steel; Sellers Rationing

No Hoarding, But Rush To Rebuild Depleted Inventories in Delayed Reaction to Korea — Trade Sure Some Controls Coming.

By RONALD WILLIAMS

Almost overnight Canada's steel picture has changed from something resembling normal to a hectic scramble for supplies.

"Demand has doubled. We're fast getting into a situation that will be as tight as it ever has been," a leading distributor told The Post.

Already some warehouses are selling on a "selective basis," using their own judgment in making supplies go as far as possible.

The rush began mid-July, normally a quiet period. The initial shock of Korea and the robust United States reaction had passed. It looked as if Canada was going to take the crisis in its stride.

Then the rush started. It happened so quickly that stocks in distributors' warehouses were depleted almost overnight. Today, every type of steel is just about as hard to get as it was during the tightest war and post-war period. No one is able to get anything close to what he wants.

Behind the unexpected buying spree are two factors:

(1) delayed reaction to Korea and the U. S. response, particularly the steel industry's;

(2) below-normal inventories.

The feeling is growing here that due to Korea, things will get a lot worse before they get better as far as steel supply is concerned.

See Controls Coming

The trade is sure that steel controls in one form or another are coming, not necessarily because they will be needed here; but because we will be obliged to do whatever the U. S. does.

Because of our dependence on the U. S. for about one-third of our steel needs (about one million tons a year) and because we will be getting U. S. defense orders, Canada will be duty-bound to follow Washington's lead.

Said a former official of the Canadian steel controller's office: "You can't expect the U. S. to hold steel from a non-essential user in its own country to export to a non-essential user in Canada."

This official has just returned from conferences in Washington. He says the U. S. has already set up a skeleton control organization to adminster whatever kind of steel restrictions are set up.

So far, Canada has taken no similar steps. One reason may be the suddenness with which the supply situation tightened up. At the wartime peak, the steel controller's office had a staff of around 40, including a small but efficient staff in Washington. Today the office is closed. The last controls were lifted last April.

"Frankly," The Post was told, "we're pessimistic about our ability to stay away from some form of control." As soon as this began sinking in the effect on demand was immediate and substantial.

This doesn't mean steel users are hoarding. For most, it means an attempt to build up inventories to normal for a boom economy.

"Don't forget," said a steel mill

(Continued on p. 2, col. 2)

See Bumper Wheat Crop; May Top 500 Million Bu.

(Special Correspondence)

WINNIPEG — The Prairie wheat crop could top 500 million bushels this year—a figure reached only three times in history (1928, 1940, 1942). This, despite almost dangerously late seeding in some areas.

This would compare with 337 million bushels last year, 528 million in 1942.

Granted immunity from frost, which can do much damage any time in August and considerable damage in September, reasonable hopes by provinces can now be put at:

Manitoba—60 million bushels; Saskatchewan—325 million; Alberta—115 million. And each of these totals could be surpassed.

For both Manitoba and Saskatchewan these figures represent possibility of a bumper yield. Alberta's outlook is somewhat less brilliant because of setbacks early in the season making a bumper crop impossible. A better-than-average yield is still possible however.

Later Seeding

Manitoba's crop went in much later than usual and seeding was continued to a date usually considered dangerously late. With abundant rainfall, possibly too much in some areas, progress has been good, but the whole crop is still a long way from maturity.

In both of the other provinces some crop went in at a reasonably early date and some much later, so that very soon a considerable portion will be regarded as reasonably safe.

In the early part of the season a large part of Saskatchewan was fearful of drought, because the season started with limited reserves of subsoil moisture.

Since the first of April, however, much of the province has had more than average precipitation, and even where rainfall has been somewhat less than average, the spacing of rains has been such as to enable the crop to make excellent use of it.

One segment of the province, constituting a long narrow triangle with the apex near Saskatoon and the base on the Alberta boundary, can have yields ranging only from poor to fair, but most of the rest of Saskatchewan is in very good shape.

Dryness in Alberta

Large sections of Alberta suffered from dryness until well into July. When rains came they were adequate to give hopes of good yields with late-sown crops. Grain seeded earlier, however, had progressed sufficiently far toward maturity to put big yields out of the question, although such crops now can produce fair yields.

At the beginning of the season grasshopper damage was feared both in Manitoba and Saskatchewan. So far, the threat has been kept under, both by weather conditions and by vigorous poisoning campaigns.

Often at this season there are large areas where complete or near crop failure has to be admitted. Seldom at this season of the year have such areas been so limited. Seldom, also, at this season have there been such large areas with the reasonable hope of heavy yields.

Here's Why Ottawa Decided On Brigade Plan For Korea Force

OTTAWA (Staff) — The new brigade group will cost around $20 millions. To meet this and other needs, the armed services requirement for men will have to be about doubled. Last year the intake was between 700 and 800 monthly.

The decision to add a new active group was based on two considerations:

1. The Government's desire to make some immediate gesture toward an international force.

2. Realization that today's international situation requires a larger percentage of active troops than had been planned heretofore.

Three alternatives were before the Government last week:

A. To send a small token force of a battalion or two to Korea immediately.

B. To promote and support an international police force to be raised through the United Nation as provided for in the original charter.

C. To enlarge our own fighting forces and earmark the new group specifically for duty if, and where required by the United Nations.

The Government is obviously proud of its new plan; believes that it is making a unique contribution toward total world security as against risking all eggs in the Korean basket.

It was argued that a small token ground force for Korea would be a phoney contribution; both impractical and unwise, even though it would appear good publicity for Canada. The second alternative was ruled out as taking too long to implement, even though it may come eventually.

Manpower Picture

How do we stand for military manpower? DBS figures show

(Continued on page 3, col. 6)

War and Business

Canada's new — and expensive — defense course is set. Only the details have to be worked out. We'll know these within two months.

Five — maybe 10 — years of creeping mobilization is latest plan. It will cost around $1,000 millions a year. This is more than double pre-Korea rate of defense spending.

It may not be all. For this is minimum preventive mobilization; our part in the general democratic effort aimed at containing forces that would bring World War III. A shooting war would bring an immediate upsurge.

Sacrifice in living standards is inevitable. Squeezes are inevitable in steel, base metals, transportation, electric power — therefore in those consumer industries using them. Manpower will be squeezed too.

Controls? Some allocations certainly, but controls by fiscal measures rather than by rigid ceilings and other control mechanisms are the hope now in this half-war half-peace situation.

U. S. arms orders for Canada are in the distance. The most we can get immediately is prospective $7 millions for naval guns. Everything else is just talk, part of the blueprint if all-out war comes and has no part in present plans. U. S. still very sticky about total industrial co-ordination.

New Hyde Park pact is also likely only for all-out war.

Impact on consumers shows up in new spots. The nickel chocolate bar is out as a world run on the cocoa bean hoists prices. Broadloom rugs again soaring. Consumers hope here is in new synthetics.

Scare buying may be showing up, just as it's subsiding in U. S. Department store sales very fast; clearance sales bigger than expected.

PRICES

Much of the panic element went out of the commodity market this week and as a result a number of items including rubber, cocoa and grains fell back from previous highs. Enough other commodities continued to press upward, including wool, cotton and cottonseed oil to push U.S. wholesale price indices to the highest level since early in July, 1948. Dow-Jones spot commodities index at midweek 190.68 as against 146.53 at June 23, just before the Korean invasion.

Wool tops and grease wool futures touched an all-time high. Current activity reflected strong demand among New England worsted and woolen manufacturers. Continued upward trend points up world shortages expected to grow even more stringent as military consumption of U.S. and other United Nations countries increases.

Raw cotton shot up sharply following U.S. Department of Agriculture's estimate on the 1950 crop with prices up $4.15 to $5.50 a bale in a day's trading. Official estimate of 10,308,000 bales was a full 10% below private traders' expectations.

Rubber footwear up an average of 10% at factory level with booming rubber prices.

Auto tires have been boosted 15%, truck tires 20%, and farm tractor tires 5% by one Canadian producer. Other rubber companies have cancelled prices pending upward move. This will be second boost in 15 days and said made in line with still sky-rocketing crude rubber prices.

Food changes quoted by Canadian Grocer (Maclean-Hunter):

Corned beef and other canned meats 20c a dozen (wholesale) for corned beef, 2c a tin or more for other lines, because of high meat prices and strengthening of market through war demands.

Sweet biscuits, plain varieties, have risen 1c a lb., the sandwich type 2-3c a lb. Chocolate sweet biscuits have increased 3c a lb.

U.S. In No Rush To Push Arms Orders Here

OTTAWA (Staff) — Don't look for any upsurge of United States armament orders in Canada as a result of the meeting here this week of the Joint Industrial Mobilization Committee. If you do, you'll most likely be disappointed.

What really happened was to set the stage for the emergency of total war — if, as, and when it might come.

Against this future eventuality, the Committee drafted a joint declaration of policy, now being placed before both governments for action. If adopted, it would parallel, in more precise terms, a similar declaration made in 1941 to give substance to the earlier Hyde Park understanding. Out of this 1941 declaration came the establishment of a joint Canada-U. S. war production committee to advise the two governments on defense procurement.

One result of the meeting will be the setting up of new additional working committees across the whole field of procurement. Present committees are functioning on base metals, aircraft, forest products, motor transportation.

The Committee also heard reports on U. S. progress in working out a reciprocal arms purchasing program. This is the program authorized by U. S. Secretary of Defense Louis Johnson, for consideration by the armed services during the year beginning July 1, 1950.

Because of Korea many of the technical difficulties in getting such a program worked out, have now been eased. Prospective U. S. orders are now said to be in excess of the $25 millions originally set by Johnston in his directive. They may go considerably higher.

How soon these orders will

(Continued on page 3, col. 3)

Rugs In For Big Whirl On Cost-Price Spiral

By W. L. DACK

That cost-price merry-go-round which has started to go a bit faster, is going to take rugs for a 10% whirl.

Canadian mill price increases of at least 10% will be going into effect within a couple of weeks. And another hoist is likely on rugs imported from the United Kingdom.

Hardest hit will be those after broadloom which means a majority of rug buyers. Today, this type makes up 60% of total rug business.

Behind the rug boosts is the dizzy spiral in raw wool prices. Indian wools which form the basic blend in most carpet wools have jumped about 40% this year. Other wools have gone up 15%-30%.

Making matters worse is the recent embargo on export of all raw wools by India. This has sent bidding sky-high for what's left.

And because 50%-60% of the cost of a rug is raw material and at least 80% of this is wool, every increase in wool is bound to be reflected in the finished product.

United States manufacturers are so concerned that they have been experimenting with synthetic fibres blended with wool, thus cutting down the pure-wool content.

One manufacturer is already offering a nylon-wool rug; another a rayon-wool combination.

Just as alarmed, Canadian mills are thoroughly investigating the new process. One firm has got to the experimental stage with a rayon-wool mixture. Further increases will accelerate the trend.

As for the effect on demand, retailers say higher prices will kill a lot of sales, particularly replacement deals where a householder wants to get rid of an old rug. They may postpone their purchase or lower their sights to cheaper lines.

However, they don't think it will affect buying for new homes. Here too, there may be some shifting to lower-priced lines, but volume is expected to remain at a high level.

Shoe Pinching

What does all this mean to the domestic rug industry and its marketing battle with U. K.-imported carpeting? Price increases, which are due solely to higher raw material costs, shouldn't make any difference.

(Continued on page 3, col. 4)

Scare Buying? Well—Maybe

By HARLEY POTTER

Had Canadians got some of the U. S. war scare buying bug or not? Retailers this week were scratching their heads and wondering. For business at the annual summer clearance sales was a bit more brisk than usual, brisker than they had anticipated.

And latest DBS figures on department store sales pointed to a definite upturn by the end of July. For the week ended July 29, DBS found sales 12% above the same week in 1949; for the week before that up 9%, the one before that 9%.

Thus was shown a steady and considerable uptrend.

But it's nothing like the increases recorded in U. S.—hitting 39% at one time.

And, whatever the figures show, it's still hard to tell how much is war buying, how much not.

In the U. S. meanwhile, scare buying is quietening down. Department store sales for the week ended Aug. 5 were only 17% higher than a year ago, whereas they had been 39% and 29% higher in the two weeks preceding.

One likely reason: Americans had been buying very heavily on installments even before the Korean crisis, and may be reaching the limit of the amount they can conveniently tie up in monthly payments in many cases.

Mobilization Here For 5 to 10 Years

Defense Costs Doubled — Sacrifices Ahead In Living Standards As Program Squeezes Steel, Metals, Chemicals, Manpower

By KENNETH R. WILSON

OTTAWA (Staff) — Canada is in for at least five years — maybe 10 — of "creeping mobilization." The program, sparked by Korea but geared to the world outlook as a whole, will call for expenditures running into the billions—at a rate of as much as $1,000 millions a year as one contribution to prevention of World War III as distinct from preparation for one.

It will reach out into the life of every Canadian. It will affect chiefly steel, base metals, chemicals, lumber, manpower, hydro power, capital investment.

It will include arms aid for Europe, greatly enlarged purely Canadian defense spending. There will probably be eventual off-shore purchases financed by U. S. dollars.

How much of the cost will be absorbed in new taxes, how much of the impact will be cushioned by controls hasn't been decided; won't be decided until the blueprint is worked out in all details.

The important consideration: this is mobilization essentially designed to prevent total war, as distinct from mobilization for total war. In such an atmosphere can results be better achieved by fiscal controls than by rigid price ceilings, similar strait-jacket controls? That's the important decision to be made.

We'll know the details within 60 days.

Meanwhile some idea of what's ahead is to be found in the sobering probability that in the single year beginning March 31, 1951 the combined cost of Canada's defense and arms-aid program will reach $800 millions and may hit $1,000 millions. Of this possibly 80% will be earmarked for our own defense, the balance for European aid.

Cost in each of the two or three subsequent years will be at least as much; probably will be considerably higher.

Even for the present fiscal year, defense spending alone, it is now estimated, will be $100 millions above the $425 million ceiling of the last budget.

On July 17, the stepped-up 1950-51 defense program was put tentatively at $55 millions above the earlier ceiling. It's now found this was considerably on the low side. As well, there's the new special brigade force, estimated to cost about $20 millions.

All of these commitments will be irrespective of any deterioration in the present international situation.

This means Canada will have to adjust herself to a defense-arms aid expenditure of about $4-$5 billions in the next few years — probably without the stimulus and directional controls of total mobilization.

There is a strong determination to avoid price ceilings and similar rigidities of the last war, so long as there is no general emergency.

Temptation To Soviet

As looked on here the armed service experts still take the view that the temptation toward total war on the part of Russia will be at its height in the next three to 15 months, while the democracies are building European and world defenses. If that view is correct, it's hard to see how total war can be avoided in that time, assuming that sooner or later Russia intends to use her armed might to challenge the democracies in open combat.

But the alternate and probably the majority view in Ottawa is that Canada and other members of the North Atlantic Treaty group of nations must gear themselves to a long and incredibly expensive mobilization program, without a general conflagration and without total mobilization.

It is this situation which is looked on as providing possibly an even harder test for the democracies. Keeping taxes, armament spending, etc. at unprecedented levels for a great many years, without the stimulus of a shooting war and without the all-out controls which it is

(Continued on page 3, col. 1)

Inside News

Tips for Retailers
How's the record in bad debts in your store? Are you being careful enough in granting credit, persistent enough in making collections? Another in The Post series of helpful articles for store owners and managers. (p. 11)

New U. K. Capital Levy?
Increased taxation to meet heavy new defense commitments in Britain may include another capital tax levy. London Calling (p. 14)

Civil Defenses
How are our civil defenses? If air raiders struck at your city, how would you go about protecting yourself? What would be your part in the organized defense force? Here's a survey of a dozen major communities. (p. 13)

Peace Petitioners
What would you do if a pretty girl stops you on the street and asked you to sign a Peace Petition? The Communists and gullible sympathizers are out to get 500,000 Canadian signatures for "Peace." It's part of a world-wide Communist campaign. (p. 13)

Scot's Parlay
How to parlay $27.42 into $5 million industry. The saga of John Hepburn and the business he has built in 45 years into a four-plant machine tools foundry and structural steel enterprise. (p. 8)

Bond Financing
What effect has Korea had on the market for Canadian corporation bonds? How about bond financing? A review of what's happened and an analysis of possible trends. (p. 5)

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Tax on Capital Gains is Out

OTTAWA (Staff) — Don't pay any attention to that hoary chestnut going the rounds again that the Government is planning a capital gains tax. It isn't.

There's been no serious consideration of any form of capital levy for so long a time that Ottawa officials can't remember when.

The fact is, this government still agrees Canada is in need of a lot of capital for a great many years —and that any form of capital gains tax would be murdering the layer of golden eggs.

Pace of Business

Car loadings during the week ended July 29 reached a new peak at 81,096, an advance of 7,563 cars or 10.3% over the same period in 1949 and 434 cars heavier than in the 29th week of this year.

Cost-of-living index advanced 2.1 points between June 1 and July 3 to reach a new high of 167.5 against 162.1 a year ago, 156.9 at July 1948 and 135.9 at July 1947. Higher food prices accounted for most of the latest increase, although rents were also a contributing factor. Food index rose sharply from 209.0 to 214.3, largely as a result of increases in meat, eggs and potatoes.

Department store sales rose 12% during the week ended July 29. All sections of the country participated in the rise except Saskatchewan where sales remained unchanged. Quebec had the largest gain of 17%, followed by Ontario with an advance of 16%, Manitoba 12%, the Maritime provinces 6%, Alberta 5% and British Columbia 4%.

Coke production in May amounted to 332,000 tons as compared to 318,000 tons in the previous month. Producers disposed of 341,700 tons during May bringing total for five months to 1,782,800 tons.

Building Material prices of general and residential materials moved upward in June. Increase in both cases was largest in recent months. The wholesale index for general building materials rose 8.8 points from May to June. Main causes were increases in prices of lumber and products, roofing materials and electrical equipment.

Wheat Flour production was up 7% in May but fell off in June to 1,649,707 bbl. as compared with 1,672,230 bbl. in the same month last year. The total production for the crop year ending in June was up 125,000 bbl. at 19,025,006 bbl. Exports of wheat flour in June were sharply higher than last year amounting to 893,314 compared with 716,557 bbl. but total exports for the eleven months were down approximately 500,000 bbl.

Butter stocks were up in nine cities of Canada on Aug. 1 to 42,147,000 lb. compared with 32,500,000 on July 1. Cheddar cheese stocks were down at 22,385,000 lb. from July 1 total of 22,689,000 lb.

Electric storage battery sales were valued at $1,369,300, one third higher than in June of last year.

EATON'S

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EATON'S

He Can Get It At A Discount

Toronto Firm Offers Cut-Price Service for $5 a Year

Retailers were this week starting to look for something to ease the effect of a growing trade headache — organized consumer discount buying.

The pain appeared to be most sharp in Toronto. There a unique organization calling itself, Canadian Discount Services, was growing like wildfire.

Membership is $5 a year. It already claims 2,000 members. Goal is said to be limited to 5,000. That would net the proprietor $25,000 a year—less minor operating costs.

Announced services: "a co-operative purchasing plan to buy anything on the market at a discount."

Discounts from 10%-50% are claimed on following types of merchandise and service:

New cars, refrigerators, washing machines, radios, all kinds of electrical appliances; furniture; groceries; coal; oil burners; gasoline; auto accessories and car service, car repairs, body and fender work, undercoating; furs; furnaces; men's, ladies' and children's wear; jewelry; hardware; wallpaper; paint; building supplies from concrete blocks to plumbing; flowers; machinery; rugs; marine supplies; sporting goods; monuments; leather goods; electrical fixtures; tires; venetian blinds.

How It Operates

To find out how the service operates, Style (Maclean-Hunter) business paper in the women's and children's wear field, had one of its staff join. Here's what happened:

At the Discount service headquarters in downtown Toronto, she filled out an application form, paid over $5 and got a blue membership card. This was her identification.

She also got a "confidential" list of merchants who are "co-operating" with the Discount Service. All the subscriber does is present the membership card which, incidentally, is good for the whole family. The list is revised monthly as new retailers join up. The latest list shows 200 merchants involved.

However, this isn't the end of the "service." An information blurb given every subscriber explains the list is only meant as a guide for "minor" everyday purchases.

"At no extra cost, you are welcome to use our personal telephone purchasing service. We will handle all your requirements from concrete blocks to flowers. . . ."

Before Style's representative left, she was also advised how she could get her own membership free. "May we suggest that you recommend our service to your friends and business acquaintances . . . we will forward to you 50c for every new subscriber you recommend to us."

Got 10% Off

Armed with her membership card, the new subscriber set off to see how it worked. She bought three articles — men's socks, white shirt and nylons, all branded lines. In each case she got 10% off. Prominently displayed in the store in which the shirt was bought was a plaque announcing the merchant's membership in a trade association—one of nine associations that banded together this year to fight "buying it wholesale."

Other members are known to have bought radios, refrigerators and washing machines for as much as 25% off. Despite the acute shortage of cars, the service claims it can get at least one make 10% off. When supply improves, it promises cuts on all makes.

How can the merchants do it? Says another blurb that goes with each new subscription: "In appreciation of the new larger turnover being directed to him which eliminates his advertising and selling costs, the merchant is in a position to pass the savings on to you. He benefits from more business (at a reduced profit) and you benefit from greatly increased savings."

The Service uses the same line on the merchants to get their co-operation. The size of the latest list (200 names) suggests Discount Services is having just as much success with them as with consumers. Merchants are offered a substantial new sales potential; at present 2,000 new customers.

Some of this has to be discontinued due to location; the subscribers are spread all over the city. A merchant in the east can't expect too much business from a subscriber in the west. But there's enough in his own area to make it an attractive deal, particularly if business is a bit slow.

How about the consumer? He's all for it. To prove it, the Service has reprinted a number of "unsolicited recommendations we have received."

". . . I got a marvelous buy in a bedroom suite and refrigerator for my daughter when she got married. I was so pleased I got my wife a new stove and refrigerator . . ."

"The oil burner is fine . . I saved $40. . ."

". . . At first I was dubious . . . I thought, there must be an angle. But, after all the savings I've made, I am going to recommend you to all my friends."

". . . The wristwatch is really smart and cost me a lot less. . . My new suit and golfing supplies were bought from your stores."

How does the trade feel? It depends on who you talk to. Merchants working with the Discount Service organization appeared to be quite satisfied. They think it is a sure way of stepping up volume. And today more and more of them are talking in terms of increasing volume.

The official view of those opposed is expressed by the Canadian Retail Federation through General Manager F. K. Nelson: "While we cannot question its legality . . . the Federation takes an extremely dull view of the business because by becoming involved, retailers are committing economic suicide."

Despite this official disapproval, the feeling is that discount services are going to become more popular. In the first place, they are strictly legal. In the second, the pressure will increase steadily to break down the resistance of merchants now refusing to give discounts. It depends on how long they can stand seeing business go to competitors who are giving discounts.

When it comes to doing something about it, the trade is in something of a dilemma. There doesn't appear to be too much enthusiasm for a fair price law such as in the United States. It is felt that smacks a bit too much of price-fixing. The most that is expected is that the various trade associations will try to sell their respective members that this is unhealthy and uneconomic. But whether member-merchants buy is strictly up to themselves: there's nothing to stop them selling at less than the going price if they want to.

What would happen if everybody joined this sort of organization? "That would be a calamity," says the Discount Services' promotion material. "We are positively committed to no more than 5,000 families. This way a small number of people can benefit tremendously without harming the retail market as a whole."

TAILORED-TO-ORDER SUITS FOR MEN

Fine English Worsteds In New Fall Patterns

Now is the time to order your new suit for Fall! See the advance showing of superior English Worsteds at Simpson's . . . choose from the wide selection of new Fall Weaves. Suitings that demand exacting tailoring, for men who appreciate fine clothes . . . a distinctive suit by Simpson's Tailored-to-Order Shop. Suit, 78.50.

Simpson's
the store for men

TAILORED-TO-ORDER SHOP - SECOND FLOOR

NATIONAL PETROLEUM CORP. received payment for Oct. 15 installment of 75,000 shares at $2 per share under agreement with Toralta Ltd. bringing to 3,556,672 shares issued with 443,328 in treasury.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITION AVAILABLE

OPPORTUNITY FOR RETAIL CONTROLLER

IF YOU ARE a young accountant now in retailing and want to assume more responsibility with a growing organization, we would like to tell you about our company (in Western Ontario) and the opportunity it presents for you. You must have a "feel" for merchandising as well as for figures — and capable of preparing and following through on Budgets. Please write Box 297, The Financial Post, Toronto, giving address and telephone number for personal interview.

Industrial Salesman

ESTABLISHED Toronto company offers excellent opportunity to engineer, between 25-35 years, who has selling personality and some practical experience with metals. Position will require contacting Canadian industry in broad field. Salary, expenses and bonus. Please state full particulars concerning education, experience and earnings. Present employees are aware of this advertisement. Reply Box 292, The Financial Post, Toronto.

BUSINESS OPPORTUNITIES WANTED

CAPITAL AVAILABLE for purchase of controlling or active interest in sound National Distributing Agency or similar organization. Please give brief outline first letter. Box 294, The Financial Post, Toronto

BUSINESS OPPORTUNITIES

Business Opportunity

BRITISH PRINTING COMPANY is anxious to contact and form an association with a medium sized Canadian Printing Company. We are willing to take a financial interest and exchange technical information and ideas. Situated 30 miles from London (with sales office in Capital) on main railway; equipped with modern machinery including Monotypes, Miehles, etc. Art studio, some publishing, 160 employees. Would be interested to hear from progressive Companies, preferably in Ontario, who would welcome this opportunity to form a United Kingdom connection. Enquiries should be directed to Managing Director, The Leagrave Press, Luton, Bedfordshire, England.

REAL ESTATE

A Place in the Country

WANTED BY an assistant editor of the Financial Post for permanent residence. Within 20-25 miles of Toronto but definitely not suburbia. Five rooms sufficient. Some land — up to one acre. Modern conveniences. Prefer rental with option to buy but purchase considered. AD. 5981, Loc 310.

RETAIL REAL ESTATE wanted. Investor seeks to buy downtown central retail area real estate in any city in Canada of 10,000 or more population that yields a good excellent net return, give details, size, name of tenants, term of lease, taxes, income, etc. Prefer property leased, or eligible to be leased to chain store tenants. Reply to Box 293, The Financial Post, Toronto.

BUSINESS PERSONALS

TELEPHONE ADDRESS SERVICE

Mail Address and Telephone Answering Service only 58c a day. Convenient downtown location from which your representative can operate as effectively as if maintaining own office. 24 hour telephone secretarial service!

TELEPHONE ANSWERING SERVICE LTD.
630 Dorchester St. W., Montreal, MA: 9491
20 Bloor St. W., Toronto, PR: 4471

Scramble For Steel; Sellers Ration Supplies

(Continued from page 1)

executive, "it isn't so long ago that there was a strong feeling that the boom was petering out. The man who trimmed his inventories so as not to get caught short if things did go a bit sour was considered wise and prudent. Then all of a sudden, everyone realized at the same time that there would be no bust. Hence the mad scramble for supplies to build inventories."

What effect on Durables?

What effect will all this have on production of durable goods? Little or none, The Post was told. Only consumer demand or rigid steel allocation which might cut a manufacturer's supply, can influence production. So far, the fever which has gripped the steel trade and is causing considerable public panic buying in the U. S., hasn't shown up really noticeably in Canada. Only car tires are going faster than normal. Used car prices are up about 5%. Demand for new cars is going up. But demand is firming up all round.

As for controls, they could only have one effect: cut civil use. How much, depends on the stringency of the controls, and the amount of steel which might be diverted to defense orders. But one thing is certain: the effect, large or small will be swift. There isn't enough steel to go round now and there hasn't been a $1 worth of new defense contracts placed yet. The minute Canada gets an order for U. S. guns or radar equipment, production of civilian goods will suffer.

The extent of the suffering is a question mark. The feeling is growing in the U. S. now the initial shock is over, that it won't be as bad as they at first thought.

Iron Age, U. S. publication for the iron and steel industry, says estimates of military steel requirements are already being revised downward. This year they will not exceed 10%, or about 10 million tons. This includes new orders, Marshall Plan aid and the regular military budget.

Moreover, the huge battle and merchant fleets which took large tonnage of steel during World War II will be brought out of mothballs as needed. So will defense plants. Unless there is a total war, Iron Age says, huge tonnages will not again be needed for these military items.

The Iron Age conclusion: after filling all military needs, there should be still enough steel left to keep civilian production operating at a high level.

Maritime T&T Shares Taken Up

MONTREAL (Staff)—Total of 242,340 shares of Maritime Telegraph & Telephone Co. were taken up under the recent offering of common stock at $14 a share, company reports. Offer expired June 30.

Warrants were issued to preferred and common shareholders on the basis of one new share for each three shares held at close of business May 1. Rights covered 252,375 shares of which 96.02% were taken up and 10,035 unsubscribed. There were 601,710 common shares outstanding at Dec. 31, 1949.

Imagine an island . . .

It is roughly 500 miles square and has two towns, both populated by executives and employees of mining and trading companies. There are no railways and few roads. The interior, where large mineral deposits are situated, is rocky and well wooded, with a number of lakes and rivers. It lies off the trunk air routes and has to be served by feeder line from the mainland.

Shorts have designed the Sealand for all areas in which the conditions of this island are repeated, and similar enterprises are considered, when freight and passenger carriage is impracticable for normal aircraft.

The Sealand is applicable to all the enterprises and specific duties indicated on the map.

For air charter work, it carries 6 passengers and their baggage, and 80 lb. of freight, or 1,000 lb. of freight, to and from the island.

Trading concerns adapt the supremely versatile Sealand for crop spraying, forest-fire patrol, and land-sea liaison with trawler fleets — it takes a general manager's office right to the heart of the plantation or the fishing ground.

Mining companies use it to fly in personnel, equipment and stores, for geological surveys and mineral prospecting. In difficult interior country, the Sealand is incomparable — it takes off at full load from 835 yards of lake or river, or from a 450-yard stretch of forest clearing. Its range, fully freighted, is 700 miles.

THE SEALAND AMPHIBIAN

Shorts *The first manufacturers of aircraft in the world*

SHORT BROTHERS & HARLAND LTD., QUEENS ISLAND, BELFAST

London Office: 17 Grosvenor Street, W.1

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

B. C. Building & Construction Industries Exchange (Vancouver) — Harold Cole, secretary.

B. C. Plywood Manufacturers' Association (Vancouver) — C. J. G. Carroll, special representative at Ottawa.

Canada Health & Accident Assurance Corp. (Waterloo, Ont.) — Charles J. Gauvreau, executive asst. to president and director of sales.

Canada Life Assurance Co. (Toronto)—Bruce E. Shaver, supt. of mortgage investments; R. B. McLean, British Columbia supt. of mortgage investments.

Canadian Govt. (Ottawa) — Hon. Milton Gregg, minister of labor; Hon. Hugues Lapointe, minister of veterans' affairs; Hon. Stuart Garson (minister of justice) solicitor general; Hon. Emile Vaillaincourt, ambassador to Peru; A. A. Moffat to Justice Dept. for special assignment on criminal code revision; J. R. Robertson, supt. of airways and Maj. Robert Olds, controller of civil aviation, in Dept. of Transport.

Canadian Heart Association — Dr. John McEachern (Winnipeg), president.

Canadian Line Materials Ltd. (Scarborough, Ont.) — Earl M. Brydon (Winnipeg), western representative.

Philip Carey Co. (Montreal)—J. A. Edmonds, sales manager for Canada.

Champlain Oil Products Ltd. (Montreal) — J. M. Esdaile, vice-president; J. O. Tremblay, a director and general sales manager.

Co-operative Commonwealth Federation (Ottawa) — Lorne Ingle, party national secretary.

Dominion Steel & Coal Corp. (Montreal)—Stuart MacInnes (Sydney) comptroller.

Eastern Canadian Greyhound Lines Ltd. (Toronto) — Charles P. McTague, president.

James Fisher Co. Advertising—H. V Petersen, a director and vice-president; H. C. Mason, S. G. Law, H. M. Duff, directors; G. E. Fowles, treasurer.

John Labatt Ltd. (London, Ont.) — Hugh F. Labatt, president and board chairman.

National Liberal Federation (Ottawa) — Allan Woodrow, honorary treasurer; Donald T. Cochrane, honorary English, secretary.

Nova Scotia Govt. (Halifax) — Harding P. Moffatt, deputy minister of education; Hugh A. Noble, director of physical fitness in Dept. of Health.

Ontario Govt. (Toronto) — Dr. Mackinnon Phillips, minister of health.

Pacific Mills Ltd. (Vancouver)—O. D. Mallin (timber dept. manager), a vice-president.

Perth Shoe and Lockwedge Shoe Cos. (Perth, Ont.)—Eric M. Sabiston, president & gen. manager; G. H. Ansley, board chairman; Fred Hart, a director and vice-president in charge sales.

Royal Trust Co.—John MacRae, to Toronto advisory board.

Sask. Pool Elevators Ltd. (Regina)—D. R. Lamont, general manager.

Welles Corp. (Windsor, Ont.) — Phil T. Cadrin, Montreal manager; A. T. Patstone (Fredericton), Maritimes manager.

Obituaries

James Michael Addleman, 51, Ottawa, president Beechwood Machinery Ltd.

Edmund Foster Burritt, 83, Ottawa, senior partner law firm Burritt, Burritt & Barber, until recently chairman Ottawa advisory board Toronto General Trusts Corp.

Henry Bartlett Burgoyne, 65, St. Catharines, Ont., president & managing director, St. Catharines Standard.

Mr. Justice Pierre Emile Cote, 63, Quebec City, Quebec provincial supreme court, one time Quebec cabinet minister and president Laval University's law faculty.

Charles W. Dean, 91, Montreal, retired former manager head office branch Bank of Montreal.

George Henry Dyer, 78, Toronto, retired former president Brighton Laundry Ltd.

James Gourlay Gray, 78, Montreal, president Gourlay Engraving Co.

Henry Greisman, 53, Toronto, president Majestic Woollen Imports, Artex Woollens, Lady Ellis Shops, Alltex Industries, Toronto Petticoat, Billie Burke Sportswear, Ladymiss Lingerie.

John Breen Larkin, 63, Montreal, president Federal Paper Co.; vice-president Kilgour's Ltd.

James Francis Weston, 83, Toronto, board chairman Imperial Life Assurance Co. of Canada.

Avalon Telephone 4% Bonds Sold

MONTREAL (Staff)—New issue of $500,000 4% first mortgage 20-year sinking fund bonds of Avalon Telephone Co. have been sold privately at par through W. C. Pitfield & Co.

The new bonds are dated Aug. 1, 1949, and mature Aug 1, 1969. Proceeds will be used for installation of 1,800 additional lines of automatic telephone equipment for the St. John's and Cornerbrook exchanges and an initial 800 similar lines at Grand Falls.

Advertising

F. H. Hayhurst Co. (Toronto) says first campaign in Canada since before the World War II will soon appear in five national publications for Rolls-Royce Ltd. (Car Division) and run throughout fall and winter. Series tell of new parts service, supervised by British resident inspecting engineers at Dorval, Montreal, for convenience of Rolls-Royce and Bentley car owners in Canada.

* * *

Stewart-Bowman-Macpherson's Winnipeg office directs Western advertising and its Toronto office Eastern advertising for a new snow-removing implement, "Snow-Blo," manufactured in the West by Sairs Implement Co., Winnipeg; in the East by Dominion Road Machinery Co., Goderich, Ont.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) appointed, effective immediately, by Alma Paint & Varnish Co. London, Ont. Fall campaign, breaking in September and supported by displays, direct mail and other helps, followed in spring by biggest campaign in client's 10 year history.

* * *

F. H. Hayhurst Co. (Toronto) will place fall and winter campaign for Myers's Planters' Punch Rum in Montreal-published magazines, trade papers, newspapers, sports and fashion publications. Ads show bottle label, assert that smart men always say "Make Mine Myers."

* * *

Stewart - Bowman - Macpherson Ltd. (Winnipeg) places campaign in major farm journals and leading Western Canada dailies and weeklies for International Heating and Supply Ltd., Winnipeg, featuring Booker Self Feed Heaters and Furnaces. In addition two booklets have just been released for consumer distribution.

* * *

Muter, Culiner, Frankfurter & Gould Ltd. (Toronto) says campaign, beginning in late August to precede school opening, will appear in dailies in selected cities across Canada for Holiday Sportswear Manufacturing Co., Toronto, makers of children's wear.

Stop Drawings On U.K. Loan

OTTAWA (Staff) — Canada has stopped the monthly drawings of $10 millions by U. K. against the balance ($50-$60 millions) of her $1,250,000,000 Canadian loan.

Last drawing was for $10 millions in June. When Government accounts for July are published they will show that the customary monthly drawing has been stopped.

Argument for doing this is that Britain no longer needs this advance and that under present conditions she would merely be adding this amount to her reserves.

In view of the impending demand for a new and costly program of European arms aid, shortly to be placed before the Canadian Parliament, it was felt prudent for Canada to conserve the remaining balance of the loan against some future contingency.

At present there is no intention by U. K. to use this balance in the immediate future or during the present year.

PROVINCE OF PRINCE EDWARD ISLAND

REDEMPTION OF DEBENTURES

Notice is hereby given that the Province of Prince Edward Island intends to redeem, for the Sinking Fund purposes of the said Province only, a portion selected by lot by the Treasury Board of the 4% debentures issued on the 15th day of September, A.D. 1941, and maturing on the 15th day of March, A.D. 1954, pursuant to the option for redemption set forth in the said debentures, such redemption to be at 101 per cent of the principal amount. The said redemption will take place on the 15th day of September, next, A.D. 1950.

The portion of the said debenture issue to be redeemed on the said date has been selected by lot by the Treasury Board and the numbers of the said debentures so selected by redemption are as follows:—

Numbers A-0052, A-0056, A-0062, A-0087, A-0234, A-0256, A-0261, A-0307, A-0328, A-0333, A-0353, A-0402, A-0431, A-0432, A-0466, A-0475, A-0526, A-0563, A-0607, A-0616, A-0676, A-0698, A-0726, A-0779, A-0808, A-0811, A-0812, A-0842, A-0908, A-0930, A-0934, A-1007, A-1125, A-1188, A-1190, A-1366, A-1401, A-1424, A-1433, A-1513, A-1565, A-1570, A-1576, A-1580, A-1600, A-1623, A-1643, A-1673, A-1714, A-1723, A-1747, A-1769, A-1853, A-1930, A-1931, A-1952, A-1956, A-1968, A-2020, A-2022, A-2070. EACH FOR $1,000.00.

Numbers B-003, B-017, B-048, B-062, B-077, B-094, B-133, B-135, B-148, B-155, B-195, B-212, B-227. EACH FOR $500.00.

Holders of the debentures above enumerated are hereby required to present their debenture certificates for redemption on the said 15th day of September, A.D. 1950, at the principal office of the Bank of Montreal in Charlottetown, Prince Edward Island; or Montreal, Quebec; or Toronto, Ontario, Canada.

Debentures numbered as hereunder, drawn for redemption in the years 1948 and 1949 have not, as yet, been presented for payment:

Number A-1622	$1,000.00	Drawn 1948
Number A-0759	1,000.00	Drawn 1949
Number B-0145	500.00	Drawn 1949

DATED at Charlottetown this 7th day of August, A.D. 1950.

WALTER E. DARBY,
Provincial Treasurer.

DO YOU NEED A COMPETENT, EXPERIENCED SALES AND ADVERTISING MAN?

Over fifteen years experience in sales, sales promotion and advertising with good successful record. Canadian, married, speaks and writes English, French and Spanish fluently. Travelled all over Canada and spent several years in Latin America and Far East. Solid education, good family background. Can furnish excellent references. Capacity for steady, hard work practically unlimited. Personal interview promptly arranged. Immediately available.

BOX 295, THE FINANCIAL POST, TORONTO.

merchandising manager wanted

Leading Canadian Manufacturer of Paper Products desires man capable of taking charge of Dominion-wide merchandising of nationally known brands. This position will report direct to Sales Manager.

Preference will be given to experience in Merchandising and Sales Promotion in the Grocery and Drug Trade. Age 35 to 45 years.

Salary attractive. Reply giving age, background of experience, personal details, photograph, etc. to

BOX NO. 300
The Financial Post, Toronto

SENIOR EXECUTIVE

Proven organizer and administrator with wide experience in production and industrial consulting capacities in Canada and U.K. 17 years experience—graduate engineer—employed but seeking permanent post with scope for advancement.

BOX 299, THE FINANCIAL POST, TORONTO

INFANTS' AND CHILDREN'S WEAR BUYER REQUIRED

One of Canada's largest Retail Merchandise organizations wishes to secure the services of a male Assistant Buyer experienced in the purchasing of Infants' and Children's Wear. Applicants should be between 25 and 35 years of age and have a successful record of actual buying experience. This position carries a good remuneration and offers interesting possibilities for the future.

BOX 290, THE FINANCIAL POST, TORONTO, ONT.

Mobilization Here For 5 to 10 Years

(Continued from page 1)

believed are only possible under conditions of total mobilization.

Wilgress Outlines Program

Some of the staggering costs and implications of Canada's partnership in the North Atlantic Treaty are being worked this week with Dana Wilgress, who is Canada's deputy in the council which has been meeting almost continuously in London in recent weeks. These meetings will resume again in London on August 22, in preparation for the full meeting of Ministers in United States September 15.

Under review in London is the speeding up and short-cutting of supply lines to meet urgent arms deficiencies in Europe. Once these problems are cleared in the next few weeks, the size and impact of demand on Canada for arms aid will emerge.

Where Find Capacity?

For example: Europe badly needs various types of motor vehicles.

Canada has plenty of potential capacity to produce such vehicles. But at present, Canadian plants are going full-out on production of passenger cars, trucks, etc.

What's got to be decided, is how much of this present capacity can be diverted into armed transport and what is involved in allocation of steel, etc. to ensure speedy completion of whatever orders are allocated to Canada.

There's also the need for prior legislation in Canada under which the Government can authorize payment for vehicles and other equipment for European defenses. Right now, no such authorization exists. Nor will it exist until Parliament has been summoned and a new, substantial arms aid appropriation is approved.

Two Different Programs

What's also important about this mobilization program is that it involves immediate commitments and expenditure aimed to prevent the emergency of war from ever happening. Thus the new vast spending program covered in these defense-arms aid programs is something immediate and urgent.

This is in contrast to the work of the Joint Industrial Mobilization Committee which met in Ottawa this week and which is essentially concerned with laying plans for what will happen in Canada and United States — if, as and when the emergency actually occurs.

This latter program is essentially a blueprint for world war III. The former program is the spending of billions of dollars of money as quickly as possible in the hope that by so doing the emergency will never come.

True, the JIMC did concern itself with some immediate matters of reciprocal buying, etc. But its impact on Canadian business is essentially long-range. Whereas the impact of the new mobilization plans is very immediate and urgent.

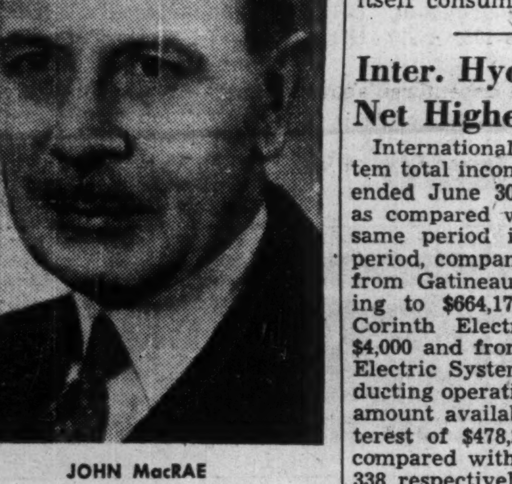
Just how fast the "creeping mobilization" program will hit the Canadian economy will depend in large part on the speed and impact of arms aid assistance which Canada is asked for and decides she can give; also on the extent to which corresponding programs by other North Atlantic partners call on Canadian resources of manpower, base metals, tools, chemicals, etc.

There is very little idle or surplus capacity in Canada at the present time and new arms aid demands, on top of our accelerated defense program, would cut pretty directly into the civilian economy.

There need be no shortage of ordinary consumer goods like foods, etc.—so long as normal shipping and world transport routes are unaffected. The items and plants which will be affected are those where the new demands for armament, war supplies, etc., are so great as to be unobtainable without some allocation of civilian production.

For Canada, steel will be the most urgent item. Base metals that are produced in Canada should be adequate but the probable vast expansion of production of items like aluminum, chemicals, etc., will have an indirect effect on such things as water-power resources.

Completion of the new proposed Niagara Treaty diversion becomes an urgent must; also the St. Lawrence Seaway because of its effect on power, transportation for defense and iron ore development, may loom as a high priority item, despite the manpower and materials which it would itself consume.



JOHN MacRAE

Who has been appointed to Toronto Advisory Board of the Royal Trust Company, succeeding W. T. A. MacFadyen as Chairman.

Inter. Hydro-Electric Net Higher in Half

International Hydro-Electric System total income for the six months ended June 30, 1950 was $1,263,200 as compared with $1,267,920 in the same period in 1949. In the 1949 period, company received dividends from Gatineau Power Co. amounting to $664,171 (American) from Corinth Electric Light & Power, $4,000 and from Eastern New York Electric System, $235,029. After deducting operating and other charges, amount available for debenture interest of $478,224 was $1,191,694 as compared with $557,928 and $1,196,338 respectively in the corresponding period of 1949.

Net income for the 1950 period was $713,470 ($638,410) which reduced the deficit to $7,790,043.

Cutback Coming In UK Sales Of Steel, Cars Here?

OTTAWA (Staff) — Britain's ability to continue present rate of shipments in steel, motor cars and capital goods to Canada, is under active study in Britain in light of her stepped-up defense program, The Financial Post is informed.

But one difficulty is there is very little that can be cut back in the U.K.-domestic economy in order to meet the very great increase in demand for steel and other strategic materials required for new armaments, so any slash in civilian production must come out of export sales.

U.S. In No Rush With Orders

(Continued from page 1)

actually materialize is still indefinite. Even U. S. officials who attended the meeting were unable to give precise answers.

One of the hottest "prospects" is a prospective order for 3 in. 50 calibre guns for the Simard plant at Sorel. A Canadian order for these guns, worth about $3 millions has already been placed. If the prospective U. S. order comes through, it could bring the total contract up to about the $10 million mark.

Aircraft Parts

Also on the list is several million dollars worth of airplane parts; some chemicals, batteries, motor vehicle parts, etc. The list closely parallels a list of potential production which Canadian officials submitted to the U. S. some time ago.

Beyond checking ways and means in which the two countries might co-operate under today's conditions of partial mobilization, the Committee's main business was to blueprint what should happen across the Canada-U.S. border in the event of total mobilization.

This is the blueprint which will probably never be used unless a third world war occurs. But it's a blueprint, which, if agreed to by both Governments could permit a much higher degree of production allocation in Canada than has been possible heretofore.

However, there is no indication in the official press release following the meeting, that U. S. authorities have as yet agreed to put Canada on an equal footing as a "claimant agency" in their emergency planning.

Key points in the blueprint, are said to include:

1. Elimination of tariff barriers on armaments.
2. Elimination of the Buy American Act of 1934 on defense and procurement items.
3. Common policy on allocations and priorities of strategic materials.
4. Avoidance of discrimination in allocation of materials among war factories in both countries.

Canadians weren't apparently successful in getting U. S. officials present at the meeting to agree on a system whereby we in Canada could match up U. S. production allocations and adopt a similar system here. This has been the hope of Canadian industrial preparedness officials, who argue that until this is done it is of little value to distribute large "paper" allocations in Canadian "shadow" plants.

Because Canada would likely only consume 30% of her own production in the event of all-out war, it has been argued that we must be able to match U. S. production allocations and count on getting Canadian plants "cut in" on a share of U. S. orders once the emergency occurred.

It was hoped that agreement on this principle could be obtained at this week's meeting. But apparently this wasn't possible. It's hoped there will be further discussions on this point. But the matter hasn't yet been finalized in favor of Canada by any means.

Despite the encouraging general tenor of the meeting there is increasing feeling here that in the present situation, at least, the United States forces won't buy anything in Canada that they can get in their own country. Even in an all-out war it is believed we would have difficulty obtaining the same sort of arrangements we got in World War II. Much would depend on personnel and on the position in which U. S. found itself for supplies of critical items, components, etc.

Look For It Here

Aug. 12, 1950

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Rugs In For 10% Whirl On Cost-Price Spiral

(Continued from page 1)

They affect all manufacturers, domestic or foreign.

Where the shoe pinches is the advantage devaluation gives U. K. mills; also the current drive to get into dollar markets. This combination, plus lower U. K. wage costs is giving U. K. mills a healthy cost advantage.

However, when it comes to dollar volume, the spread isn't as wide. Domestic lines run to somewhat higher price ranges than U. K.

What the domestic industry is really worried about is the future. Today there's enough business to keep Canadian mills humming, despite higher imports. To meet record demand, retailers have been drawing increasingly on overseas mills.

Today imports are seven times prewar against an estimated 12%-15% advance in Canadian production. Business is divided about 50-50.

The following table shows what has been happening:

	Canada Output (000 sq. ft.)	Imports (000 sq ft.)	Import %
1935 to 1939 ..	15,812	2,105	12
1947	12,828	15,539	55
1948	16,683	16,873	50
1949*	17,850	17,437	50

*Estimated.

Opinion Divided

Opinion is divided among Canadian producers as to the possible outcome. One of the larger mills is pretty optimistic. They are taking steps to bolster that optimism, with attractive new designs and colors. They expect to retain and perhaps increase their slice.

The official of another mill was not quite so hopeful. He couldn't see any chance of domestic producers garnering a bigger chunk as long as wages in U. K. and Belgian mills are so much lower than here.

It was pointed out that U. K. prices have actually gone up higher percentage-wise than domestic but because of devaluation, they are still highly competitive.

To get around this price advantage, Canadian mills have been cutting corners in other directions. By carefully recording customer preferences, outlets have been able to cut down substantially on inventory.

At the same time, this buying analysis is providing a good barometer of what the customer climate is likely to be. Here are some of the outstanding trends:

1. Increasing stress on color rather than quality, leading retailers to cut down on color and patterns range and go in more for depth in selection — more range along the lines customers like.
2. Wall-to-wall and plain rugs are becoming increasingly popular at the expense of heavily patterned Wiltons and Axminsters. It's estimated they now account for more than 60% of total rug business. This is one reason why color has become so all-important with the buyer. He just can't afford to be wrong.
3. A big swing to pastel shades.
4. Bigger rugs are in demand. People are realizing it's the rug that pulls the room furnishings together.

Why We Chose Brigade Plan

(Continued from page 1)

there has been a 20% increase in Canada's armed service manpower since 1939.

Latest figures, prepared this week for The Post show men of military age in Canada now total 2,754,900. "Military age" is the number of men 19 to 45 inclusive. This is the over-all age grouping as announced by the Government this week for its special Canadian army force. The comparable figure in 1939 was 2,300,500.

The 19-45 age group includes both fighting men and tradesmen. For fighting men alone, the Government has raised the age limit from 29 to 35.

In the age group 19-35 inclusive, there are now something over 1,800,000 Canadians against 1,600,000 in 1939. The 1950 figures include Newfoundland; not a part of Canada in 1939.

Here is the breakdown of men of military age in Canada at the present time as estimated by federal statisticians:

Men of Military Age in Canada

Years	1939	1950
19	109,200	112,800
20-24	507,500	572,200
25-29	475,500	558,800
30-34	416,200	524,900
35-39	378,700	477,200
40-44	345,800	429,300
45	67,600	79,700
	2,300,500	2,754,900

GOLDHAWK PORCUPINE MINES July 31 installment of 50,000 shares at 10c per share under agreement with Niagara Syndicate has not been exercised and balance of agreement has terminated.

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You've Had That Nickel Bar, Pay 20c More For Box Chocs.

Exit the nickel chocolate bar. Its short life is over. Look instead maybe for a dime bar or return of the 7c-8c bar. And be prepared to hand out at least another 20c for that pound of chocolates.

The temperamental cocoa bean has been jumping all over the price scale again—up over 20%.

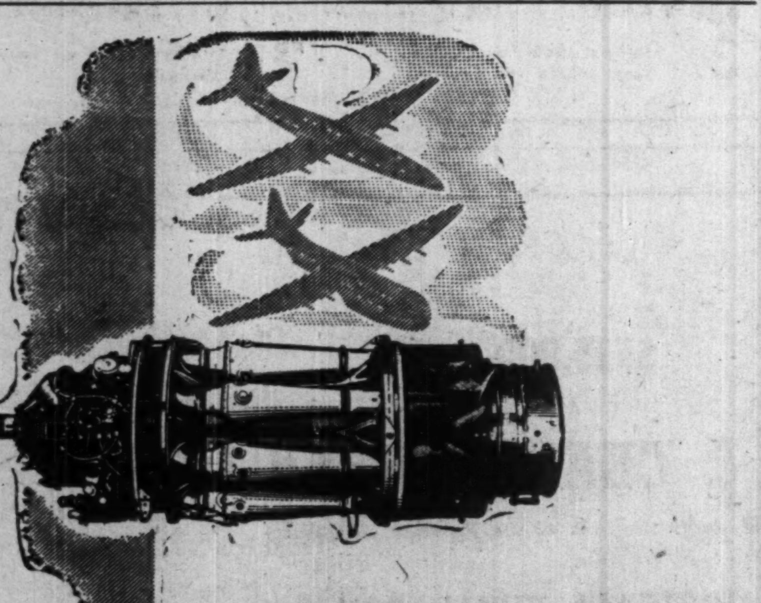
Whether that nickel chocolate bar will jump to a convenient dime—with more in it—or remain the same size, to retail at the old 7c-8c isn't known yet. It's a tough competitive field. Maybe you'll find both.

The price trend in pop—biggest competitor for the kiddies' nickels—will also be a factor.

Box chocolates have already started up. Most manufacturers boosted prices within the last 10 days—on the average of 15%.

With offerings drying up, reflecting the tight supply picture and uncertainty over the international situation, domestic buyers must go out into the New York market and pay current high prices, plus exchange and duty.

Those prices (without duty, etc.) stood at a 1950 high of 42c a lb. (spot) at midweek. Last year at this time the price was 22c a lb.



PROTEUS

PROPELLER TURBINES

For the multi-engined Princess flying-boat and the "Bristol" Brabazon II, a coupled Proteus power unit has been developed consisting of two Proteus turbines arranged with their shafts parallel and driving a coupling gearbox. This gearbox, in conjunction with a reduction gearbox, drives the two co-axial shafts for the contra-rotating propellers. The 3,500 h.p. "Bristol" Proteus propeller turbine is notable for its high power output for a comparatively small overall size of engine and has a particularly low fuel consumption.

THE Bristol AEROPLANE COMPANY LIMITED • ENGLAND

PIGOTT

MEN AT WORK

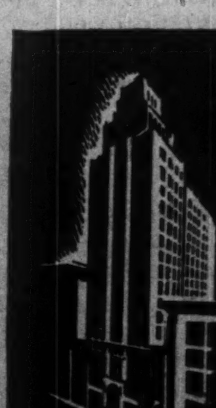
The highly complex nature of a large organization such as the Pigott Construction Company is seldom realized even when one observes a Pigott project underway. The men "on the job" . . . a veritable army of skilled masons, steam-fitters and carpenters, to mention but a few, form only a small part of a great company.

Aiding their efforts, expediting their work at every point are other highly-trained specialists . . . men without whose work no construction job could be completed—yardmen, draughtsmen, purchasors. And to service their requirements is the "plant", an arsenal of achievement replete with heavy machinery, yards, machine shops, and trained crews.

Added to these tangible assets are things like employee loyalty and a Pigott tradition of quality that goes back three generations. If you are considering building, why not plan with Pigott . . . they will achieve for you what they have achieved for others . . . at reasonable cost.

Thames Hall in London, Ontario was built under the highly-trained supervision of Alec Farquhar. A key man in the Pigott organization, Mr. Farquhar has been with the Company over 22 years. He exemplifies the type of man who is proud to work with Pigott Construction . . . and of whom Pigott is likewise proud. Such skilled supervision is another guarantee that satisfaction will be yours when you choose Pigott to build for you.

P-53



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CALVIN BULLOCK, LTD.

ALUMINUM CO. OF CANADA has cancelled a further 125 4% cumulative redeemable preferred shares, leaving 548,379 outstanding.

SAGUENAY POWER CO. had 43,807 4½% preferred shares outstanding at July 31.

INVESTMENTS THIS WEEK

Can. Packers Sets Records; Want Dividend Clarified

Following mailing last week of the annual report for the year ended March 29, 1950 of Canada Packers Ltd., its Class "B" stock jump to a new 1950 high of $28 a share, the highest since issuance in 1944. It is up substantially from its 1950 low of $19 a share early last January. The reason—new highs were established in dollar sales, tonnage and net profit.

Canada Packers' Class "B" stock is currently selling at about $27½ a share to yield around 3.63% on the basis of a $1 annual dividend rate. It would yield 5.45% on the basis of a $1.50 annual dividend rate. The Class "B" stock is entitled to non-cumulative dividends not exceeding 75c a share for each half-yearly period, subject to the preference of the Class "A" stock. After both classes receive $1.50 in any year, they participate equally, share for share, in further dividends.

Just what the actual current dividend rate is on the Class "B" stock is a matter of speculation among investors. The company has been paying dividends of 50c a "B" share, payable half-yearly on April 1 and Oct. 1, since April 1945. However, an extra 50c was paid on April 1, 1950, the first extra on this stock. If it is repeated in October, it would bring the annual rate up to $1.50, if not it means $1 will have been paid this year.

President J. S. McLean makes no comment on dividend policy in the 1949-50 annual report. A year ago, however, he said directors hesitated to commit the company to a higher dividend scale until more normal conditions were re-established. Investors hope the policy will be clarified at the annual meeting.

Also noticed by investors is the statement of Mr. McLean that employees, "in addition, to wages and salaries, which are at least on a par with the highest paid in the industry" received a year-end bonus of $1,500,000 and pension contributions of $1,385,706 — a total of $2,855,706. Shareholders received $1,400,000 in dividends with the balance of $2,080,212 of the net profit being added to reserves.

Both the yield and the times-earnings basis for the "B" stock would indicate that investors are looking for a continuation of the growth trend shown by the company in recent years and also a higher dividend rate. At its current price the Class "B" stock is selling just under 9.5 times last year's earnings of $2.90 on the combined Class "A" and Class "B" shares.

Its Class "A" $1.50 cumulative participating preferred stock has been strong since appearance of the annual report and is currently selling around $36¾ a share to yield about 4.09% on the basis of its $1.50 current annual dividend rate. It is now $2 a share higher than at the middle of July and near its 1950 high of $37⅛ made June 15. Its 1950 low was $32½ a share last February.

Net profit has increased each year from the $1,611,418 net, including refundable E.P.T., for the year ended March 25, 1943, to $3,480,212 for the last fiscal year—or over 2.1 times. The net was up $672,975 or 24% in the last year alone.

The increase in earnings has reflected the steady growth in dollar sales to a new record of $327,670,647 in the last fiscal year—4% over the record of the previous year of $314,918,888 and over 3.3 times sales for the highest prewar year—fiscal 1929—of $97,716,701.

One factor which investors and management are watching closely is the margin of profit. Last year it improved to 1.06c per $1 of sales from 0.89c the year before—still a narrow margin. In this year's report net profit is calculated in cents per 100 lbs. of product for three periods. For fiscal years 1928 to 1939 it averaged 16.8c per 100 lbs.; for fiscal 1940-45, 17.8c; and for fiscal 1946-50, 16.3c. Average for the whole 23-year period, 1928-1950, was 17c a 100 lbs. which is equivalent to one-sixth of a cent a lb. Also surprising is the small deviation from average.

Canada Packers total assets had increased to $70,660,459 at March 29, 1950—over 51% higher than the total of $46,719,485 at March 25, 1943.

Working capital dropped in the year to $12,815,179 at March 29, 1950 from $15,720,032 a year before but $5 millions—more than the amount of the drop—of funded debt was retired during the year. Bank loans, included in current liabilities in each year, increased substantially. Inventories, at lower of cost or market less reserve, increased $2.4 millions to $22,186,295 less than average sales for one month. (See annual report page 16).

* * *

Is Int. Paper Stock Dividend Tax Free To Canadians?

What is the tax position of a Canadian holder of International Paper Co. common with regard to its 25% stock dividend? That's a live question in financial circles currently.

It would appear that this dividend will be free of income tax to Canadian residents. According to the Income Tax Act, stock dividends are not taxable if paid by a nonresident corporation, more than 50% of the share capital of which belong to nonresidents. While each case is subject to an individual ruling by the income tax department, it would appear as if International Paper would meet these qualifications.

With International Paper common selling about $61¾ a share, the 25% stock dividend will be worth over $15 a share to each Canadian holder if this tax free status proves the case.

* * *

Expect Offering of Shares In New Mutual Invest. Fund

Offering of shares of a new mutual investment fund, Resources of Canada Investment Fund Ltd., by Savard, Hodgson & Co. is expected shortly.

Capitalization of the new mutual fund will be patterned after those already in existence in Canada, consisting of 5 million common shares of $1 par and 1,000 special shares, $1 par. Investment policy will stress investment in shares of companies engaged in the exploitation and development of the natural resources of Canada, including mining, oil and gas, paper, lumber and other similar companies, it's understood.

Offer 97% Shares Of Modern Tool

Holders of about 97,000 out of the outstanding 100,000 no par value common shares of Modern Tool Works Ltd. have indicated that they are willing to accept the offer of undisclosed British interests to buy the stock at $8.50 a share. (See The Financial Post July 22).

Offerings are firm until Oct. 15 as necessary arrangements have to be approved by British foreign exchange authorities covering the transfer of dollar funds to pay for shares purchased. However, it is hoped that a definite transaction may be arranged at an earlier date.

Hinde & Dauch Dollar Sales Up About 20%

Dollar sales of Hinde & Dauch Paper Co. of Canada for the first six months of 1950 were approximately 20% ahead of the corresponding 1949 period, The Financial Post understands. Tonnage produced by the box factory was up about 30% and the output of the paper mills up about 5% with plants understood to be booked to capacity for the next three months.

Plans are being formulated for the erection of a new box factory in Montreal estimated to cost over $2 millions. A large share of the funds necessary, it is understood, will be provided from the company's resources.

Working capital at June 30 was little changed from its total of $3,805,232 at Dec. 31, 1949. Capital expenditures for the first six months approximated $125,000 and in view of the expansion plans the total for the year is likely to exceed the 1949 sum of $563,742.

A continuing program of modernization is necessary to handle adequately the heavier peak service demands being experienced and the anticipated volume of business. As a result, ordinary maintenance expenditures which totaled $681,938 in 1949 are expected to be around the same for 1950.

With dollar sales up, earnings are likely higher although details of earnings for the period are not available. The net profit for the entire year 1949 amounted to $740,730, equivalent to $2.47 a common share. The quarterly dividend rate has been raised from 25c to 30c a share with the first payment at the new rate due Oct. 2. Dividends have been paid regularly quarterly at the rate of $1 a share a year since Dec. 20, 1941.

Bonds Offered Of Mtl. Medical Supplies Firm

A new issue of $525,000 first mortgage serial bonds of Casgrain & Charbonneau Ltée is being offered at par and accrued interest by Clément, Guimont Inc., Quebec City, and Forget & Forget Ltée, Montreal. The issue, dated Aug. 1, 1950 consists of $130,000 4% bonds due Feb. 1, 1951 to 1955 and $395,000 4½% bonds due Feb. 1, 1956 to 1966.

Founded in Montreal in 1910, the business was incorporated in 1920 under federal laws as Casgrain & Charbonneau Limitée. The present company was incorporated June 29, 1950 under Quebec laws to acquire all the assets of the old company.

Since the beginning the company has sold pharmaceutical products and manufactured certain special medicines. It now also sells dental surgery and surgical equipment, veterinary instruments and equipment, hospital furniture and accessories, X-ray equipment, scientific instruments, patent medicines, etc. Office, laboratories, etc. are in Montreal.

Proceeds of the present issue are to repay a $197,737 first mortgage and to pay part of the cost of acquisition of the old company.

Capitalization, outstanding after the present financing, will consist of $525,000 first mortgage bonds, $348,000 5% preferred shares, par $100; and $339,000 common shares, par $25.

Directors are Paul L'Africain, president; Rosaire Courtois, H. J. O'Connell, J. A. M. Charbonneau, Henri Clément, Jacques Forget, R. O'Gleman, and Paul-H. Guimont, secretary.

Sales have increased from $894,485 for 1941 to $2,264,646 for 1949. They amounted to $1,057,075 for the first five months of 1950.

Net profit amounted to $66,907 for 1949, $60,264 for 1948, $27,172 for 1947, $47,473 for 1946 and $19,958 for 1945. For the first five months of 1950, it was $39,971.

Assets totaled $1,790,128 at May 31, 1950 according to the pro forma balance sheet. Current assets totaled $925,946 and current liabilities $494,400.

DOMINION COAL CO. Cape Breton and Springhill collieries' July coal production totaled 356,065 tons. Seven months' output was 2,838,626 tons compared with 2,582,762 tons in the same 1949 period.

Brokers Watch Cheque Deals After Montreal Bankruptcy

MONTREAL (Staff) — First meeting of creditors of Fairbanks, Kirby & Co., bankrupt Montreal brokerage firm, was held here last week.

Five inspectors, including three representing other investment firms, were appointed to work with the trustee in bankruptcy, Harold J. Inns. How long the liquidation process will take or what distribution will be made to the various classes of creditors, won't be known for some time yet, it's indicated.

One interesting legal point which arose in connection with the bankruptcy has led to much stricter observance of payment rules on the street. Brokers for some time have been accepting uncertified cheques in payment for securities, especially when business was heavy and staffs were hard put to handle the volume.

However, one of the Montreal investment houses accepted an uncertified Fairbanks, Kirby & Co. cheque for several thousand dollars in return for some securities which Fairbanks, Kirby was placing in a bank as collateral. The cheque, drawn on the same bank, wasn't honored the next day when the firm went bankrupt. Legal action has been taken to recover the money on the grounds that the securities were handed over to the bank so that the money could be paid.

Whatever the outcome, brokerage houses are dealing only in certified cheques these days. The Montreal Stock Exchange has had a rule to that effect all along, but members houses had let it slide fairly regularly in recent months, according to street sources.

Total creditors' claims were $3.3 millions including $1 million clients, $1.7 million secured creditors (banks and call loans) and $575,000 secured creditors (brokers). It's hoped to begin distribution of securities held in safekeeping to their various owners shortly, The Post is told.

Some Public Financing For New BC Newsprint Mill

From Our Own Correspondent

VANCOUVER—First newsprint mill to be built in British Columbia since 1912 will be constructed at Duncan Bay, on the east coast of Vancouver Island, 100 miles northwest of Vancouver.

Announcement of the project, on which work will start this month, was made by Canadian Western Lumber Co. Ltd. and Pacific Mills Ltd., who will be joint owners.

First planned unit, which is expected to be completed in about two years, will produce between 75,000 and 100,000 tons of newsprint annually from a huge surrounding forest management tract.

This tract was granted to Canadian Western Timber, a subsidiary of Canadian Western Lumber, about two years ago to be operated on a sustained yield basis.

Canadian Western has been planning a mill for some time. Pacific Mills, which is a large plant at Ocean Falls, is a subsidiary of Crown Zellerbach Corp., U. S. The two companies have formed Elk Falls Co. Ltd., to run the mill.

To Cost $35 Millions

The whole project, when completed, is expected to involve an investment of between $35 millions and $40 millions with initial investment of between $20 millions and $25 millions.

Some public bond financing is expected to help finance the project but the equity capital will be furnished equally by the two companies. Each will put up $3 millions for 50% of the ordinary shares.

Power and water from the plant will come from the John Hart hydro development on Campbell River about 3½ miles from the mill site.

"The Elk Falls company will utilize timber from the Duncan Bay forestry management license in compliance with sustained yield objectives of the forest act of B. C.," Henry J. Makin, president of Canadian Western, announced.

"Until regenerating timber on the management license reaches cutting size for pulpwood, wood requirements for the mill will come from salvage operations and small diameter wood not presently being utilized principally under a contract between the new company and Canadian Western Lumber Co. Ltd."

This tract was granted to Canadian Western Timber, a subsidiary of Canadian Western Lumber, about two years ago to be operated on a sustained yield basis.

About 500 workers will be needed by the mill. There will however be no company town as in most other B. C. mills.

Other mills may be erected by other companies on the coast here, predicted R. J. Filberg, vice-president of Canadian Western.

Short Position In Montreal

MONTREAL (Staff)—Montreal Stock Exchange report shows short position of 12,050 shares of 37 issues as at July 31 compared with 10,510 shares of 38 issues on July 15. Chief changes were:

Stock	Shares	Stock	Shares
B. C. For.	—500	Imp. Oil	+650
Can. Cement	+275	Int. Nickel	+1,375
Can. S. S.	—200	Nat. Brew.	—225

Short position on the Montreal Curb Market on July 31 totaled 117,899 shares of 34 issues against 125,460 shares, 32 issues, July 15. Chief changes were:

Stock	Shares	Stock	Shares
Anacon	+4,400	Centre'que	+4,500
Ascot	—15,150	Comm. Alco.	+800
Brown Co.	+450	W. Ashley	—6,000
Cart. Mal.	+7,000		

Actual short positions on the two exchanges were:

MONTREAL STOCK EXCHANGE

Stock	Shares	Stock	Shares
Abitibi	900	How. Smith	125
Aluminium	135	Hudson Bay	50
Bathurst A	25	Inm. Oil	925
Bel Telephone	25	Inter. Nickel	1,640
Bralorne	150	Inter. Paper	1,365
Brazil	150	Lang & Sons	50
B. C. Forest	600	Laura Secord	225
Bldg. Products	10	Massey-Harris	75
Bulolo G. Drdg.	100	Mont. Trams.	25
Can. Cement	695	Nat. Brew.	10
Can. S. S.	260	Noranda	125
Cndn. Brew.	75	Price Bros.	225
Cndn. Celanese	100	Royalite	200
Cndn. Loco.	30	St. Law. Corp.	850
C.P.R.	1,590	Stand. Chem.	100
Cons. Smelters	125	Walker G. & W.	50
Corby A	100	Wpg. Elec.	115
Dist. Seagrams	50		
Dom. Coal B	675	37 Issues ...	12,050
Dom. Tex.	100		

MONTREAL CURB MARKET

Stock	Shares	Stock	Shares
Anacon	26,600	Ford A	400
Anglo-Can. Oil	100	Gaspe Oil	700
Ascot	41,450	Jaculet	3,500
Brown Co.	950	Kerr-Addison	100
Cal. & Edmon.	300	Ladulama	500
Cdn. Marconi	5,750	McLeod-Cock.	500
Cdn. Vickers	25	Min. & Ont. Pap.	59
Cdn. W. Lumb.	100	Que. Y'knife	2,000
Cartier Mal.	7,000	Queenston	1,000
Centremaque	4,500	Sherritt G.	2,600
Comm. Alco.	5,900	Steep Rock	200
Cons. Lebel O.	5,500	Sullivan Cons.	200
Cons. Paper	940	Un. Asbestos	3,000
Cons. Textile	300	Wendell	500
Dome	50	West. Ashley	500
Donnacona	50	Wilt. Coghlan	1,000
E. Sullivan	1,500		
Eastern Steel	125	34 Issues ...	117,899

Financing
Canadian Industry

The increasingly competitive nature of to-day's markets often requires new and improved methods of industrial production.

A modernization program may demand more funds than are readily available from company resources. This problem may be aggravated by the need for increased working capital necessitated by higher costs of production and raw materials.

Executives of corporations with a problem of this nature are invited to consult with us concerning the availability of additional capital.

Inquiries will receive careful attention.

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$130,000. 4% bonds maturing from February 1st 1951 to August 1st 1955
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To be dated: August 1st 1950

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In the opinion of Counsel, these bonds will be a legal investment for Insurance Companies registered under the Canadian and British Insurance Companies Act, 1932, as amended and under the Quebec Companies Act.

We offer these bonds, if, as and when issued and accepted by us and subject to the approval of all legal matters by our Counsel: Me. Marcel Piché, K.C.

PRICE: 100. and accrued interest.

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A copy of the Prospectus will be furnished upon request.

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J. D. McDONALD

J. A. Gairdner, Chairman of the Board of Vulcan Iron & Engineering Ltd., announces the retirement of Mr. J. D. McDonald, Vice-Chairman as of July 31st. Mr. J. D. McDonald retires at the age of 71 years and has served the Company for the past 52 years. He will continue as a member of the Board of Directors.

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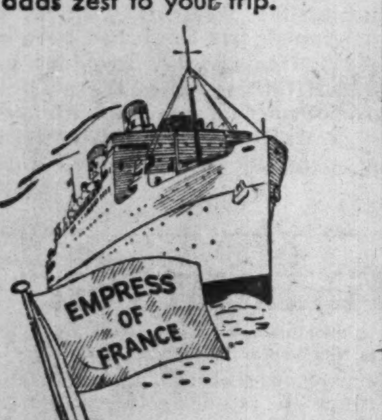

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How Does Bond Market Look in Light of Korea?

Here's Record of Activity, Standing in 25 Canadian Corporation Issues

By JAMES H. JOYCE

Although the market for Canadian corporation bonds eased slightly with development of the Korean situation, there has been no big general drop in prices and yields are only slightly greater on the average than at the middle of June.

There is not a great deal of activity in the Canadian cor oration bond market currently outside of a couple of issues, according to investment dealers. But the year to date has been good.

Volume of new corporate bond financing in the first seven months of this year was over double the comparable figure for the 1949 period. Over 91% of this financing has been new money financing, less than 9% being refunding.

Not much new corporate financing is in sight for the immediate future, according to investment dealers. ..ny, however, admit they are working on issues, but most report that they do not expect these to materialize until the fall.

In fact some a.. being deliberately delayed ..til then in order to see how the Korean situation develops.

U. S. Interest

Just in the past week, however there has been evidence of a ..ir amount of U. S. interest in the better grade corporations. Dealers report that a fair amount of Canadian Pacific Railway and Imperial Oil debentures have been sold in the United States, with the result the Canadian Pacific Railway debentures last week went to a new high.

In addition, some Imperial Tobacco debentures and a few Shawinigan Water & Power Co bonds are also being sold to that market. Most of the rest of the corporate market is reported extrem..y dull.

In the United States, reflecting the readjustment from a peacetime to a war economy, the bond market as been very active since the beginning of the Korean crisis. Investment grade issues, particularly tax-exempt municipal, turned strong and speculative railroad liens ascended almost perpendicularly to their best levels in three years, Thomson & McKinnon report.

That there has been no general drop in prices of Canadian corporation bonds is shown in the accompanying table in which The Financial Post presents the price record of 25 Canadian corporation bonds since the beginning of 1949 (or since their issuance for two issues).

The table includes bonds of eight public utility companies, two transportation companies and 15 industrial firms.

Representative Corporate Bond Quotations

Company	%	Due	Aug. 2, 1950 Quote $	Aug. 2, 1950 Yield %	June 15, 1950 Quote $	June 15, 1950 Yield %	Jan. 3, 1950 Quote $	Jan. 3, 1950 Yield %	Jan. 2, 1949 Quote $	Jan. 2, 1949 Yield %
Abitibi Power ..	3½	1967	102 -103	3.27	102¼-103	3.27	101 -103	3.27	97½- 99½	3.53
B. C. Electric ...	3¼	1967	95¾- 6¾	3.51	96¾- 97½	3.45	97½- 99½	3.29	91 - 93	3.78
Brown Co.	5	1959	103 -105	flat	108 -109	flat	93½- 95½	flat	100 -102	flat
Burns & Co.	4	1963	99½-100½	3.96	99¾-100¾	3.94	98 -100	4.00	95½- 97½	4.23
Can. S. Lines ...	4	1966	100¼-100¼	3.90	100 -101	3.92	98½-100½	3.96	99⅜†	3.05
Can. Pac. Ry. ...	3⅛	1970	100½-101½	3.02	99⅝-100⅛	3.11	98¾‡	3.20	....	...
Dom. Tar	3½	1957	101 -103	3.03	102 -103	3.03	101 -103	3.06	101 -103	3.10
E. B. Eddy Co. .	3½	1966	100 -101	3.42	101 -101¾	3.36	99½-101½	3.38	97 - 99	3.57
Federal Grain ..	4	1964	100¼-101¼	3.90	100 -101	3.91	99½-101½	3.86	97½- 99½	4.04
Gatineau "D" ...	3¼	1970	100½-102	3.11	101¾-102¾	3.06	101 -103	3.05	98½-100½	3.22
Imperial Tob. ...	2⅞	1966	96¾- 7¾	3.05	97¼- 98¼	3.01	97 - 99	2.95	95 - 97	3.09
L. St. John P. ..	5	1961	101¾-102¾	4.67	102 -103	4.66	101 -103	4.66	100½-102½	4.73
Massey-Har. A ..	3	1966	97½- 8½	3.12	96½- 97½	3.20	95½- 97½	3.20	94 - 96	3.30
McColl-Fron. Oil	3	1971	97½- 8½	3.10	97½- 98½	3.10	96½- 98½	3.11	94 - 96	3.25
Monarch Knit ..	4	1966	97 - 99	4.08	98 -100	4.00	99 -101	3.92	99½-101½	3.88
Montreal Tram .	5	1955	99½-100½	4.88	100 -101	4.72	97 - 99	5.22	97 - 99	5.19
N. S. Steel & C..	3½	1963	99¼-100¼	3.48	99½-100½	3.46	99 -101	3.42	96½- 98½	3.63
Price Bros.	3¼	1966	100½-101½	3.13	101 -102	3.09	101½-103½	2.98	99 -100	3.25
Quebec Pwr. ...	3	1962	98¾- 99¾	3.02	99¼-100	3.00	99 -101	2.91	96 - 98	3.18
Shawinigan	3½	1970	102¼-103	3.30	102¾-103¼	3.28	102 -104	3.23	98 -100	3.50
Simpsons	3½	1960	102 -103	3.16	102½-103½	3.10	102 -104	3.06	101½-103½	3.14
St. Maurice P. ..	3¼	1970	100 -101	3.18	100½-101½	3.14	99½-101½	3.15	96 - 98	3.38
United Fuel	4	1959	101½-103	3.62	100¾-103	3.62	101 -103	3.64	101 -103	3.66
Steel Co. of Can.	2¾	1967	96½- 98	2.90	97 - 98	2.90	96 - 98	2.90	93 - 95	3.11
Winnipeg Elec. .	3¾	1971	101½-102½	3.65	102¼-103	3.55	102 -104	3.49	101½-103½	3.52

Note: Yields are calculated to maturity although bonds may be callable prior to that date and are based on asked prices. Quotations, courtesy of A. E. Ames & Co.
‡Offering price in March, 1950. †Offering price in December, 1948.

Five of these issues—Canada Steamship Lines 4% of 1966, CPR 3⅛% of '970, Federal Grain 4% of 1964, Massey-Harris 3% of 1966 an.. United Fuel Investments 4% of 1.. 9—are slightly higher in bid price than at June 15, 1950 (before the Korean situation developed). One, McColl Frontenac Oil 3% of 1971, is bid the same price as t.. middle of June but, the other 19 issues have lower bid prices.

Change /ery ...ht

For the 25 corporate bonds in the table the average yield has only moved from a 3.4.% basis on June 15, 1950, to a 3.48% basis on Aug. 2, 1950, a very slight change. At the beginning of the year, the yield on these issues averaged 3.45%, he same as at June 15, so the change since the first of the year has only ..n slight. Wider variations are, of course, shown by some individual issues.

The change in prices on these issues has also been small, as would be expected from the slight change in yield. The total of the bid prices for the 25 issues was $2,495 on Aug. 2 as compared with $2,507.88 on June 15 and with $2,476.25 on Jan. 3, 1950.

Canadian investors have had more th.. twice (2.1 times) the volume of new corporate bond financing to consider in the first seven months of this year than in the comparable 1949 period, 25% greater than in the comparable 1948 period and about the same as in the 1947 period. It was, however, only about 60% of the volume of financing done in the first seven months of ..46 when there was a large volume of refunding.

One striking feature of Canadian corporation bond financing since 1947 has been the fact that the bulk of the financing has been for new money requirements, whereas in the first seven months of 1947 refunding amounted to slightly over 50% and in 1946 to over 83%.

This year $43 millions of corporation bond financing has been done in th. United States as against none in the same periods of 1949 and 1948.

The actual figures for the corporation bond financing for the first seven months of 1950, compared with a similar 1949, 1948, 1947 and 1946 period, compiled by Wood, Gundy & Co., are:

CORPORATE BOND FINANCING
(June 1 to July 31)

	Total $	Refunding $	New Money $
1950			
Public Utilities	65,750,000	9,511,250	56,238,750
Railway	64,000,000	....	64,000,000
Indust. Misc.	162,240,303	12,350,700	99 889,603
Total	241,990,303	21,861,950	220,128,353
Sold in Canada	198,990,303	13,861,950	185,128,353
Sold in U. S.	43,000 000	8,000,000	35,000,000
1949			
Public Utilities	68 000,000	....	68,000,000
Railway	2,000,000	....	2,000,000
Indust. Misc.	44,304,000	1,500,000	42,804,000
All Sold in Canada	114,304,000	1,500,000	112,804,000
1948			
Public Utilities	64,500,000	1,852,500	62,647 500
Railway	28,000,000	....	28,000,000
Indust. Misc	100,296,000	21,451,214	78,844,786
Total All Sold in Canada	192,796,000	23,303,714	169,492,286
1947			
Public Utilities	64,500,000	1,852,500	62,647,500
Railway	1,480,000	....	1,480,000
Indust. Misc.	160,083,000	80,644,280	79,438,720
Total	247,169,500	125,274,780	121,894,720
Sold in Canada	241,669,500	120,287,280	121,382 220
Sold in U. S.	5,500,000	4,987,500	512,500
1946			
Public Utilities	247,061,000	237,267,831	14,793,169
Railway	32,100,000	32,100,000	....
Ind. Misc.	132,753,188	82,591,152	50,162 036
Total	411,914,188	346,958,983	64,955,205
Sold in Canada	277,114,188	212,158,983	64,955,205
Sold in U. S.	134,800,000	134,800,000	....

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To the Shareholders

CANADIAN WESTERN LUMBER COMPANY LIMITED

A press release of today's date was made as follows:

"Formation of a Provincial corporation to be known as the Elk Falls Company Ltd., for the purpose of manufacturing pulp and paper at Duncan Bay, Vancouver Island, was announced jointly today by H. J. Mackin, President of the Canadian Western Lumber Company Limited and Paul E. Cooper, President of Pacific Mills Ltd. The Elk Falls Company Ltd. will be owned equally by the companies represented by Mr. Cooper and Mr. Mackin.

"First planned unit of the new company will be a newsprint mill designed to produce from 75,000 to 100,000 tons annually. The Mill will secure water and power requirements from the John Hart Development of the British Columbia Power Commission on Campbell River, about 3-1/2 miles from the mill site. It is expected that the whole project when completed will involve an investment of $35,000,000 to $40,000,000.

"This project results from and was made possible through legislation regarding Forest Management Licenses by the Provincial Government.

"The initial unit will provide employment for 500, and will require approximately two years to build. Work of clearing and preparing the site will start immediately.

"The Elk Falls Company will utilize timber from the Duncan Bay Forest Management License in compliance with sustained yield objectives of the Forest Act of British Columbia. Until regenerating timber on the Management License reaches cutting size for pulpwood, wood requirements for the mill will come from salvage operations and small diameter wood not presently being utilized, principally under a contract between the new company and Canadian Western Lumber Company Limited.

"Duncan Bay is located on Vancouver Island, about 100 miles northwest of Vancouver, B.C. by water and three miles north of Campbell River."

Your Management has recommended and Directors have given approval to the acquisition of 50% of the ordinary share capital of Elk Falls Company Ltd. for the sum of $3,000,000.

It is not expected that any further funds will be required from your company to complete this project.

In the course of manufacturing operations at your mills and factories considerable wood waste develops. Also in our standing timber holdings and other timber that will be acquired it has been proven by your Company's experience that a substantial proportion of the total wood on the land logged is unsuitable for sawmills and factories. This hitherto waste material will be sold and profitably used by the Elk Falls Company Ltd., and continues your Company's policy for full and complete utilization.

The demand for newsprint throughout the world has been expanding beyond the productive capacity of the industry and your Company's interest in this venture should prove profitable, both from the sale of wood needed by the Elk Company and its share of earnings.

The Pacific Mills Ltd. are an established and very successful company, making newsprint and paper products.

H. J. MACKIN,
President.

Atlas Steels Sees 10% Saving From Its Stainless Prices

An immediate savings of about 10% to the average consumer was foreseen by Atlas Steels Ltd., Welland, Ont., when it announced the scheduled prices at which it will sell the production of its new stainless steel rolling mill, last week.

The new sheet mill is now engaged in trial rollings and is expected to be in full commercial operation in September. The company's objective is to produce 100 tons a month of stainless steels in the near future and, in a year or two, to step up to 200 tons a month.

Plans are already being made to install a mill to cold roll stainless sheets at an estimated cost of $600,000. The present mill will only produce hot rolled sheets and is initially set up to produce 3/16 in. to 26 gauge sheets up to 48 in. wide and 144 in. long. The company will concentrate first on the heavy gauges and for the present will produce only the chromium-nickel grades in sheet form of certain types. Finishes available will be No. 1, hot rolled, annealed and pickled, and No. 4, standard polish.

To offer consumers and distributors a wider range, Atlas is importing all grades, finishes, sizes and products which may not be produced initially at Welland.

So far the Canadian market for stainless steel sheet has been limited because no stainless sheet was produced in the country, Canadian fabricators being completely dependent upon foreign suppliers. Imports from the United States have comprised over 90% of the shipments in recent years and have been running around 2,500 tons a year. If Atlas produces 1,200 tons a year (i.e., its present objective of 100 tons a month), it is estimated that it would save Canada $1,400,000 which would otherwise have to be spent on imports.

Price savings to individual Canadian consumers will vary according to quantity and type of stainless steel sheet ordered. Two examples of possible savings, according to Atlas officials, are:

(1) Atlas' price for polished sheets of 16 gauge in base sizes and in 1,000-lb. lots would be 61¼c a lb. as against a published Canadian price for sheets imported by distributors of 68c a lb.

(2) Atlas' price for 10 gauge, type 304 sheets in standard sizes, No. 1 finish, and in 2,000-lb. lots is 49¾c a lb. as against the published Canadian price for imported sheets of 58½c.

Atlas will charge "quantities extras" which will raise these prices for lots of smaller sizes.

To shareholders of

C.P.R.

and other Investors and "Traders"

Our "Investment Securities Review" for August (just off the press) contains a factual story of the C.P.R. from the investors' point of view. Fifty years ago it was said that "In the eyes of the World, C.P.R. means Canada." Present shareholders may not be so well aware of that fact. The "Investment Securities Review" brings facts about C.P.R. right up to date.

"Investment Securities Review"

also contains approximate current prices of leading Canadian Bonds and Stocks and Mining and Oil shares. As a reference it is most useful. Don't hesitate to write or phone for a complimentary copy.

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Westeel Prod. Net Down 6%

Net profit of Westeel Products Ltd. for the first six months of 1950 was $555,500, equivalent to earnings of $1.17 a new common share, according to an unaudited income statement sent shareholders. This is 6.6% lower than the net of $595,100, equivalent to $1.26 a new common share, for the first six months of 1949.

Gross profit on sales amounted to $1,573,800 for the first six months of 1950 ($1,566,400 for the first six months of 1949). Selling, etc. expenses totaled $533,200 ($478,200); depreciation was $126,100 ($124,100); income taxes $355,000 ($380,500).

Booked business was approximately the same as a year ago, Vice-president and Managing Director E. S. Sargeant says.

Working capital showed an improvement of $347,700 from its figure of $3,531,962 at Dec. 31, 1949. In the period $50,000 bonds were redeemed in June and capital expenditures completed totaled $87,000.

The four-for-one stock split, approved by shareholders on July 14, was confirmed by supplementary letters patent dated July 24, 1950. New shares were listed for trading as of Aug. 8.

The company does not plan to call in the outstanding certificates for the old shares until the latter part of September, shareholders are advised. If they wish to sell shares in the meantime they are advised to place an order for four times the number of shares shown on present certificates.

Bond Yields Hold Steady

The 40-bond yield average compiled by McLeod, Young, Weir & Co. on the basis of bond prices at July 31, 1950, was 3.37% as compared with the previous month's average of 3.36%.

Average yields for the provincial and municipal groups of bonds showed an increase of .01% over the previous month, while the public utilities and industrial groups increased .03% and 0.2% respectively.

Here is the yield average for each of the four separate groups comprising the 40-bond yield average:

MACLEOD, YOUNG, WEIR BOND YIELD AVERAGE

	Jun. 29 1949	Jan. 31 1950	Jul. 3 1950	Jul. 31 1950
10 Provincials	3.21	3.15	3.13	3.14
10 Municipals	3.59	3.51	3.45	3.46
10 Public Util.	3.38	3.20	3.34	3.37
10 Industrials	3.60	3.52	3.50	3.52
40 Bond Aver.	3.44	3.37	3.36	3.37
Aver. Matur.	16a 2b	15a 9b	17a 1b	17a
Govt. of Can.	2.88c	2.75c	2.77d	2.77d

a years. c 3% Sept. 1, 1966
b months d 2¾% June 15, 1968

See Earnings Improving For Rolland Paper

MONTREAL (Staff) — Higher fine paper prices plus strong demand have considerably improved the earnings outlook for Rolland Paper Co. this year, The Financial Post understands.

Last year company showed a small net profit ($19,409) after a net loss of $162,874 (including $109,130 tax credit in 1948 and net profit of $330,734 in 1947 If business continues at the current good rate, it's understood 1950 earnings may be back close to 1947 levels.

The fine paper markets strengthened all last winter and early in May and prices were increased about 10% to take care of wage increases and higher freight rates. Demand continued strong after prices were increased.

Rolland is experiencing a steady increase in sales of most of its main lines, The Post is told. This has been due partly to improved products resulting from million-dollar modernization program completed in 1948. The company has also developed new lines, improved selling methods and re-organized its management staff in the last year or so.

As in 1949, no major capital expenditures are planned this year. Outlay for this purpose is not expected to exceed $100,000 compared with $94,650 last year and $498,802 in 1948, the year the main modernization program was completed.

July Giant Tonnage Hits New Record

Giant Yellowknife Gold Mines milled a record tonnage during July and value of bullion produced was the second highest in the company's history.

A total of 12,961 tons of ore was milled during the month, for an average of 418 tons daily compared with 12,588 tons a month earlier. Production comprised 9,539 oz. gold and 2,856 oz. silver worth $369,556 against 10,007 oz. gold and 3,264 oz. silver in June when bullion value was $387,911.

Mill heads averaged 0.74 oz. in July against 0.87 oz. in June.

INDUSTRIAL ACCEPTANCE CORP. had 53,900 $32 preferred, 31,896 $25 preferred and 314,204 common shares outstanding at July 20 following exchange of 1,968 $25 preferred and 1,610 $32 preferred for common stock on a share-for-share basis.

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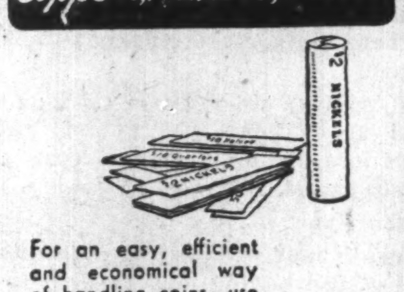

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How Much For Defense?

President Truman proposes to spend 10% of the U. S. national income on defense. In a statement last week the U. K. Government indicated that it was prepared to do likewise.

We too will see a substantial increase in federal government expenditures and taxation before this international business has been settled.

It is true that in its defense calculations the United States has included many large items which can hardly be termed "defense" expenditure. The U. S. for instance includes many millions for Army Engineers reclamation and other projects inside the U. S. Some countries include in their "defense" spending figures money for atomic and other research, police, pensions, coast guards, veterans and varied other items.

As originally planned, defense expenditures for Canada this year were to be $425 millions. New commitments just announced, will shove this up from $50 to $100 millions or say to a total of half a billion dollars at least for this fiscal year.

But taking the bald figures, Canadians should realize what any attempt here to spend 10% of our national income in defense would mean.

That would involve spending three times the expectation for 1950 or about $1.6 billions. That would be two thirds of the total of this year's budget. It would be four times the average prewar federal budget.

But is there any validity to the 10% yardstick? Is that ratio of defense spending to national income any sound basis for judgment as to whether Canada is spending enough, carrying her fair share of the load, etc.?

We don't think so. On a per capita basis, Canada even before recent increases in proposed defense spending, was devoting more to defense than any other Commonwealth country with the exception of Britain and more than any other Atlantic Treaty nation excepting the U. S. and the U. K.

But on a per capita basis, the U. S. is probably 50% wealthier than Canada.

Then here's another factor for the confusion of those who would determine our defense policies on a comparative ratio basis. The overhead of running a country of Canada's size and population is relatively much larger than the overhead of a country like the U. S. How would the ratio fiends take that important factor into account? Are the peoples of various countries being taxed in proportion to their real ability to pay?

How are you to compare defense costs and the actual value of the defense contribution to be made? The annual cost for pay, pensions, allowances, clothing, food, etc., of a private soldier in Canada is around $2,600. A recent figure from the U. S. which seems to be roughly comparable is about $5,000. A recent estimate for a French soldier is about $300 a year. A lieutenant-colonel in the Netherlands Army gets less, we understand, than a U. S. private.

The more you try to reach any ratio basis for comparing the adequacy or otherwise of Canada's defense plans with those of any other country, the more apparent it becomes that this is impossible and absurd.

How Big Will We Grow?

Only a year or two ago, it was being said that on the basis of our previous growth trends Canada would do well to reach a peak population of 15 millions and that not much before 2000 A.D. For the United States a maximum of 150 millions was the guess.

The U. S. census this year and Canada's in 1951 will make these gloomy predictions look pretty far astray. The U. S. has already passed the 150-million peak and at present progress Canada should reach 15 millions within five years.

It seems to be the old, old story of not knowing how much a vessel or country will actually hold until you try to fill it. With yesterday's limited knowledge and primitive equipment, only a few million people were able to make a living in a country like ours. Today, with far more knowledge and far better equipment, we can accommodate far more. With further improvement in knowledge, in development and in equipment, no one knows how high we will be able to raise our sights in the future.

An Opportunity to Steady Buying

Scare buying is reported to have reached alarming proportions in certain lines in the United States. There have been unprecedented sales of tires, cars, sugar and other goods which were scarce during the last war.

While there has been less of this in Canada, we have not been immune. In used cars, for instance, there are some indications of abnormal purchases.

Where this leads is obvious. Buying in excess of current requirements is bound to create scarcity and higher prices. If unchecked controls and regimentation are certain.

Printers' Ink makes a good suggestion. Advertising which in normal times can be used to increase sales, it points out, can at a time like this also be used to steady and slow sales.

As the worst possible example of how not to use advertising at a time like this, Printers' Ink cites the case of a television dealer who tried to scare people into buying by suggesting that "later materials may be short due to the Korean situation."

As a good example, it mentioned a series of advertisements by General Tire & Rubber which told consumers that "there is no tire shortage and no threat of one."

Canadian manufacturers, too, could use this effective tool for reassuring customers and for stabilizing the whole economic situation.

This is Real Help

Here's the sort of practical help that would solve U. S.-Canadian trade problems.

In Toronto the other day, Roy Fruehauf, president of Fruehauf Trailer Co. and its Canadian subsidiary, told a group of truckers that his American company was buying all the supplies it can from Canada. As a matter of direct policy, wherever prices were comparable, the orders of his company specified Canadian-made castings, stampings, etc. "We realize that you can't buy from us unless we buy from you," said Mr. Fruehauf.

Government action in lowering tariffs and easing other barriers is important, but that alone will not build up more trade. There must be more of the independent and intelligent action of individuals like that of Roy Fruehauf. After all it is the individual and not the government that makes and uses the goods.

Not the Way to Build Goodwill

For over a hundred years Canadians and Americans have got along famously together. There has been a minimum of trouble and friction. Search the whole world and that sort of happy relationship could not be duplicated.

The reason is simple. Canadians and Americans know each other thoroughly, mutually respect each other, and above all are frank with each other.

The world would be a better and safer place for all of us if that sort of good feeling could be developed between Britishers and Americans. Canadians, because of their unique position in respect to both, can play an important part in bringing it about.

Association in two world wars helped to sweep away much of the age-old friction between U. S. and U. K. but there is still a lot left. There are indications, moreover, that mutual respect has declined in recent months.

A recent Canadian visitor to Great Britain reports that not once but several times Englishmen apologized sincerely and profusely for mistaking him for an American. When they discovered his Canadianism their former restraint vanished and they became friendly and cooperative.

A great deal of trouble stems from the fact **that some Americans,** unfortunately often the most vocal, seem to ignore the vital contribution Great Britain has made in common causes and the very real sacrifices. They forget that in two world wars Britain was in from the first day to the last, lost over a million men killed and the greater part of her overseas investments, whereas the United States was only in the fight for much less than half the total time, her casualties were light and her financial strength remained unimpaired. Too many of these people also seem to think that lease lend was all one way and that the Marshall Plan is purely and simply a form of international and unappreciated charity.

The Canadian visitor mentioned earlier reports another experience. This time an American mistook him for a fellow citizen and without any attempt to make sure or to lower his voice in a public and crowded place, London's Waterloo station as a matter of fact, started to berate "these ungrateful British . . . after all we have done for them."

Another example of this sort of tactlessness was the statement presented to President Truman by eight congressmen recently. After chastising British Formosa policy it ended with this, "At this time we cannot squander our strength on allies upon whom we cannot depend."

That's not the sort of talk that helps to build goodwill between two major partners each of whom has a vital role to fulfill in defending democracy and Canadians, who stand squarely between and who are dependent on the goodwill of both, have every right to be concerned and perturbed.

Old Butter For New

Last year in an ill-advised attempt to keep butter prices artificially high, the Federal Government stepped in and bought butter for 58 cents a pound. It made some effort to find foreign buyers but these naturally were not very interested when they were offered cheaper supplies elsewhere. So our government's stocks went into storage.

Now several months older, these stocks are being released at 51 cents per pound. This means a direct loss including storage costs of 10 to 15 cents per pound.

But that is only part of the story.

While Ottawa is now peddling its old butter at 51 cents, it is also buying new fresh butter at 53 cents. After some months in storage this presumably will also be offered cheap, and then replaced with new stocks.

Thus consumers, who as taxpayers, pay all the losses on this foolish business, are also prevented from getting the butter when it is fresh.

It's to be hoped that Ottawa's venture into butter marketing won't spread to still more perishable products. The same plan with fresh flowers, or even with fresh fruits and vegetables would prove even more unsatisfactory.

But who knows? Almost every day produces some mad new scheme, backed by a lobby, to fleece the taxpayer.

Nest Eggs Not So Plentiful

Fifty years ago, or even 25, there were plenty of old couples who retired on $20,000 tucked away in bonds or mortgages. At 6% that gave them $100 a month which was sufficient to keep them in modest comfort. To get that income today requires an investment of $40,000 and the annual yield of $1,200 will buy only about half the amount of clothing, shelter and food it would before the war.

And that is only part of the story.

In the first part of the century, it was not difficult nor unusual for the ordinary man to save $20,000 in his working lifetime. There were scores of thousands of people who were able to do that. Small storekeepers, professional people of modest income, farmers with a hundred acres of good land, even prudent industrial workers at prewar wages could hope to save that amount of money for their retirement.

Today with taxation rates that would make our grandfathers shudder and living costs double and treble what they were accustomed to, individual saving is far more difficult. This is a problem of grave concern to that very large proportion of our population approaching or passing middle age. To the young man just starting his working career, it does not make a great deal of difference whether living costs rise so long as wages and salaries go up too. But to the man who retired a few years ago or who plans to retire within the next few years, higher living costs can become a tragedy. Even a moderate rise may mean all the difference between spending old age in reasonable and independent comfort or going into the poor house of which there certainly won't be enough for the crop of the future clients now developing.

With another soar in prices, increased taxes and vast new outpourings of government funds now threatening, the outlook for the middle-aged saver becomes gloomier still. It's a sad reward for thrift.

Holiday Scratch Pad

JUST LIKE a lot of young married couples, within a year after they moved into their new home, the people of Halifax found that it was not big enough. So some of them shifted across the harbor and founded Dartmouth. That was exactly two centuries ago this summer and the event is being suitably celebrated.

Though separate municipalities, strategically Dartmouth and Halifax are one. Dartmouth was needed to round out the defenses of what was to be a new British strong point in North America. But a stiff price was paid for its development. Repeatedly the Indians raided the new town with massacres frequent and bloody. The first real growth came with the American revolution and the Nantucket Whalers or Quakers.

* * *

TO COCHRANE in Northern Ontario, which became a town just 40 years ago, is quite a historical jump from ancient Dartmouth. But both places have something in common in the trials of their pioneer days.

Cochrane was spared Indian massacres but it was twice swept by fire. These completely destroyed all the early records. To make sure that the history of the town and district would not be lost, however, an energetic citizen set to work. Alice Marwick, is the wife of the town's high school principal and for 20 years she and her family have lived in Cochrane. Last fall she started to collect material. In less than six months she has assembled the necessary data, written and published "Northland Post," the story of Cochrane and the area about it. Quite a feat for a woman who admits "nearly sixty" and who had never written a book before.

* * *

ALTHOUGH THE REASON disappeared long before, until well into the first world war, military guards were posted in various odd spots in London, Eng. In one case it was to protect a small garden gate (for discreet and private use by a member of the Royal Family) but bricked up nearly two centuries ago. In another it was the site of a favorite parkside bench of a premier more than 150 years in his grave. Although these guards have been abolished, London still retains certain civic offices which are just as much out of date. One of these is the job of ale-conner.

At one time, the ale - conner was responsible for the soundness of the brews used within the City. Donned in leather breeches he would enter an inn, call for a glass of ale, pour it over a bench and sit down in the puddle. There he would remain smoking and chatting for half an hour or so, taking care, however, not to change his position. Then he would attempt to rise. This was the test. If the ale-conner rose easily all was well, if he stuck that meant too much sugar or molasses in the brew and the innkeeper could expect a prosecution.

* * *

BELL TELEPHONE subscribers got some help in their long distance statements this month. On the back is printed Bell's abbreviations for frequently called places.

Now instead of wearing his brains out trying to figure why he was charged 20 cents for CLKSN and 70 cents for PBO, the subscriber simply flips over the statement and discovers that these were the calls he had made to Clarkson and Peterborough.

Of course, if he gets very far from home and to smaller places the list, which is not complete, may be of no assistance. It will not, for instance solve the mystery of MIL BY which, of course, stands for Milford Bay, Muskoka.

* * *

HIGHWAY AUTHORITIES on this continent are wondering what they can do to make driving safer and more pleasant. Here is a tip from Great Britain. A friend of ours made a 1,500-mile tour from London to Inverness and return this spring. In all that time not once did he have to take his life in his hands when he passed a truck. Invariably the driver of the bigger and slower vehicle waved him ahead when it was safe to pass. If that sort of thing had happened once on a 1,500 mile drive in Canada he would have been astounded but it seems to be standard courtesy on the British roads.

* * *

ONE CAN ONLY HOPE that this commander in Korea doesn't get as badly mixed in his tactics as he does in his metaphors. A war correspondent quotes him as follows: "We have got the bull by the tail and we've got to look him straight in the face."

While Napier Moore is on holidays Scratch Pad is authored by the staff of The Financial Post.

Stop Me If —

Hubby: "I wonder why we never manage to save anything?"

Wifey: "It's the neighbors; they're always doing something we can't afford."

* * *

A young woman was mailing the old family Bible to her brother in a distant city. The postal clerk examined the heavy package carefully and enquired whether it contained anything breakable.

"Nothing but the Ten Commandments," was her reply.

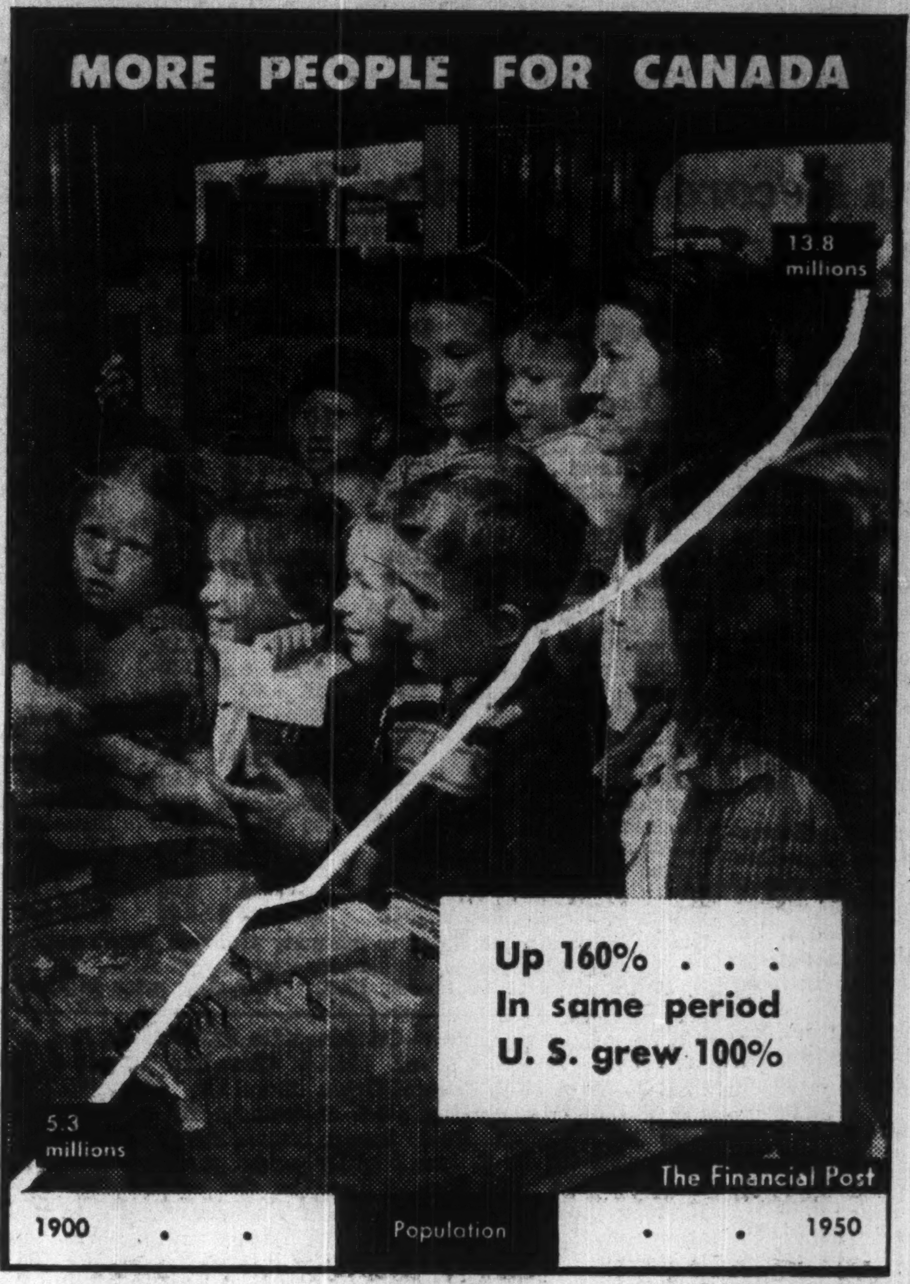
* * *

A husband drew up his chair beside his wife's sewing machine.

"Don't you think you're running too fast?" he asked. "Look out! You'll sew the wrong seam. Mind that corner now! Slow down, watch your finger. Steady!"

"What's the matter with you, John?" asked his wife. "I've been running this machine for years."

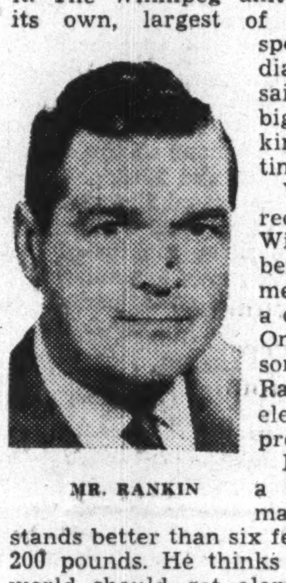
"Well, dear, I thought you might like me to help you, since you help me drive the car."



Post Scripts

Junior Chamber's President

The Junior Chamber of Commerce of Canada has about 20,000 members in the 254 Chambers which compose it. The Winnipeg unit has 1,500 on its own, largest of any English-speaking Canadian city and said to be the biggest of the kind on the continent.



MR. RANKIN

Whether correct or not the Winnipeg Chamber has a huge membership for a city of its size. One of the reasons is Forbes Rankin, recently elected Canadian president.

Rankin is a husky young man of 37 who stands better than six feet and weighs 200 pounds. He thinks people of the world should get along better than they do and believes they would if they knew one another better. In business life he is managing director of the McLaren-Dangerfield Hotel Co. which operates a chain of hotels in Winnipeg.

Forbes Rankin is a native Manitoban, born in St. Boniface. His father, Edward James Rankin, originally an accountant, is now general manager of the Tomlinson Construction Co. in Toronto.

Pleasantly aggressive in manner and full of energy Rankin would have done well in any profession or business. He intended to take a university degree in commerce and business administration and would have done so but for the depression of the 1930's. After two years Arts at the University of Manitoba he took a business college course, and started as a desk clerk in a hotel of the chain of which he is now managing director.

This was in 1932. He stayed a year, tried a spell as a commercial traveler, then a year and a half in the construction business. His old employer persuaded him to return and in 1935 he permanently established himself in the hotel business.

When he took over management of one of the chain in 1939 he joined the Winnipeg Junior Chamber of Commerce. Believing that benefits of any association were in ratio to what its individual members put into it, he soon became one of its more active members. He thoroughly learned the objectives of the organization, accepted assignments on its committees, assumed the responsibilities coming his way, and could always be depended upon to do the jobs well.

* * *

Expert With Pipes

If newly elected president Matthew Lyle Barr has his way the National Association of Master Plumbers & Heating Contractors of Canada Inc. is going to move a long way this year in giving its members the service he feels they have a right to expect. He thinks the association needs more members and that it should be more useful to its supporters.

MR. BARR

As 6th president of the association Barr heads the group which is the national voice for Canada's plumbing and heating trade contractors, numbering some 1,100 of the nation's leading contractor-dealers among its membership.

"One of the most important men in any company is the accountant," says Mr. Barr. "Too many master plumbers do not pay enough attention to their costs. A big job for the National Association is to convince its members that overhead actually exists and how important it is."

To carry out his objective, Lyle Barr plans to start with bulletins to members. "I think we have to keep pounding away at these things. When we sent out a bulletin on overhead a while back to our B. C. members a lot of our people began to make money for the first time in their business careers."

He thinks, too, that the National Association must convince its members that it is up to them to do the selling job for the industry instead of leaving this for the manufacturers and wholesalers. But he also believes that co-operation between his own organization, the retailers of the plumbing and heating industry, and the Canadian Institute of Plumbing & Heating, representing the manufacturers and wholesalers, along sales lines would be worth while.

Born in Vancouver in 1903, Lyle Barr served his apprenticeship as a steamfitter with the firm which his father, the late Matt Barr, and J. G. Anderson established in 1898. Today Lyle Barr is president of this firm, Barr & Anderson Ltd., Vancouver.

He says his firm "does anything that can be done with a piece of pipe." But their main interests are in contract work in plumbing and automatic sprinklers. A separate and growing department looks after repair work, another sells, installs and services oil burners. Vancouver staff numbers 140 mechanics today. At Kelowna, a subsidiary, Barr & Anderson Interior Ltd., keeps another 30 men busy at sheet metal work, warm-air heating and roofing.

Matt Barr was a famous old time lacrosse player and his son followed his example. An active player at lacrosse, English rugby, hockey, baseball, basketball and running, Lyle Barr followed up his days of active competitive sports by completing a term as president of the Canadian Lacrosse Association in 1948-49.

Educated in Vancouver, he attended University of British Columbia. However, he had to leave university to start work with the company when his father died. He is a past president of the Vancouver Kiwanis Club, a past master of the Vancouver Masonic Lodge, a member of the Scottish Rite and a Lieutenant in the Shrine Patrol. He is also a director of Gordon House, a neighborhood service home in Vancouver's West End. Married to a Vancouver girl, he has a 15-year-old son.

* * *

Spokesman For Peru

A new ambassador is coming to Canada from Peru. He is Dr. Louis Cuneo Harrison, 49, a career diplomat. He succeeds Manuel Cacho-Sousa, who returned early this year.

Dr. Harrison is no stranger to Ottawa or Canada. He spent some time here in the summer of 1948 and liked Ottawa so much on that occasion that he promised he would be back.

Having served as Peru's envoy to three tropical countries, Panama, Cuba and Dominican Republic, he is looking forward to Canada's cooler climate. He hopes to play a good deal of golf, which is said to be his favorite outdoor pastime. His other hobbies include bridge and canasta.

Dr. Harrison is Peru's most decorated citizen. Besides the O.B.E., which was awarded for handling the arrangements of the visit of the then Prince of Wales to Peru, and the French Legion of Honor, he has grand crosses, knighthoods and medals from a score of other countries.

While he does not pretend to be fluent in English or French, he understands and speaks both languages. The English comes naturally as his maternal grandfather was a British citizen who left the United Kingdom to settle in Peru.

Among the main objectives of the new ambassador, will be the improvement in trade relations between Canada and Peru. At present the balance of trade is strongly in Canada's favor. In 1949, Canadian exports to Peru totaled slightly over $7 million, while imports from Peru amounted to less than $2.5 millions.

What Others Are Saying

Editorial of the Week

Let Them Strike

Toronto Globe and Mail

Canadian railway unions have set their strike deadline for August 22. In this, at least, they were wise. It gives ample time for reconsideration, and the union leaders most certainly should reconsider. There is not a thing they have to win, or lose, that can justify use of the strike.

The railways are not only unable to pay the unions' demands, they have been unable to earn the money necessary for proper modernization of their equipment and lines in an increasingly competitive field. Why should the public be expected, in these circumstances, to go on absorbing higher rates and higher prices with no promise of improvement in the services?

The Canadian National cannot meet the unions' demands and there is no reason under the sun why the taxpayers should be obligated to assume greater railway deficits to pay for them. Neither is there any reason why the Canadian Pacific Railway should be shunted into the red in an effort to maintain a competitive position with a State line, so subsidized.

The only basis for settling the unions' demands is the companies' ability to pay and the employees' ability to earn what they ask. If, having failed to establish their case, the railway employees wish to assume responsibility for jeopardizing everybody's work and business by striking, let them strike. Perhaps this country has got to experience a major economic dislocation before it will rid itself of the economic lunacy of some labor leaders. If so, it would be well to get it over with.

Other People's Views

SURPRISE is expressed by the **Peterborough Examiner** that no funds are available yet for beautifying Toronto's University Ave. "We thought this was being taken care of by the fines which the Toronto police are so quick to impose upon out-of-town visitors who transgress their complex and capricious parking regulations."

WAR REPORTING is damned by two sorts of the pests, declares the **Ottawa Journal:** "the 'war correspondent' who describes every local engagement as an Armageddon, and (2) the 'military spokesman' and press 'briefing officers' (many of whom have never heard a shot fired in anger) who think the public's war pills should be heavily sugar-coated. Of the two evils the last is the worse."

BLUNT TRUTH appears at last to have dawned on the CCF party leadership, says the **Regina Leader-Post,** that socialism in its traditional form is impracticable and holds no allurement for the Canadian electorate. A few years ago, the national leader, Mr. Coldwell, wrote a book entitled "Left Turn, Canada." Canada refused to turn left. Now it is a case of "Right Turn, C.C.F." as the party seeks to catch up with the elusive votes which it needs if it ever is to win power.

WILD BUYING and mounting prices in the United States should be a warning to Canadians, thinks the **Vancouver Province.** "So far we in Canada have escaped most of this buying and price-raising frenzy. It was not so long ago that we had rationing and wage and price controls and we remember them well enough not to want them again.

"But if Canadians start trying to hoard they will start a chain reaction that will come back at them like a boomerang."

BATTLES ARE STILL WON on the ground and by the infantry, points out the **Montreal Star.** "There have been many changes in the history of war, in the ways in which fighting men have been arrayed and in the weapons with which they have been equipped, but there has been no change in the essential to victory. Territory has to be won and held. Nothing takes the place of manpower. The importance of adequate numbers of well-trained and well-equipped infantry formations is being painfully demonstrated these days in Korea."

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LABOR ROUNDUP

Can Donald Gordon Settle Rail Dispute, Make Ottawa Intervention Unnecessary?

By RONALD WILLIAMS

If the new Federal Minister of Labor, Milton Gregg, had wanted to make a dramatic entry he couldn't have chosen a better moment: in a few days he may be up to his neck in the railway dispute.

Ottawa is still saying this time it's going to be different; that both management and unions have been told the Government does not intend to be dragged into the fight as a last-minute mediator.

If few Canadians would buy this, there's good reason for it after what happened when the railway unions had the country over a similar barrel in 1948. Like last time the general feeling is that, no matter what it says now, Ottawa will step in at the last minute if a strike seems inevitable.

Despite the scepticism with which Ottawa's warning has been greeted, the pattern is not exactly the same this time. Moreover, there are different personalities involved that could have an important bearing on what happens.

The chief difference personality-wise is Donald Gordon, new president of CNR. He is believed to have arranged this week's presidential-level conference with Frank H. Hall and his union negotiating committee.

This marked the first important deviation from the 1948 pattern of events. It also set the stage for Mr. Gordon to use his compelling influence and persuasive powers as he did with success more than once during wartime economic crises.

If he is successful, cabinet intervention will not be necessary, the new Labor Minister will be spared an ordeal that could make him more enemies than all his previous three years' cabinet service put together.

What he does; how he handles himself will be watched by some of the most critical, vehement element in Canadian life—organized labor.

If he gets off on the wrong foot with them, he will have the whole pack at his heels. And he's at a disadvantage before he starts, not having the sort of labor background which the late Humphrey Mitchell didn't hesitate to use if he thought it would help his case.

Already the labor hounds are baying at his heels. The big, powerful CIO Auto Workers is the first to protest his appointment. "Mr. Gregg's background in labor matters is completely lacking," complains UAW Director George Burt.

After hurdling the railway dispute, there are other new problems looming up which will put a strain on his capabilities: military call-ups and direction of manpower. However, if and when he has to deal with the latter, he won't be so wide open to attack as on outright labor matters. He has plenty in common with the military; he's a veteran of World War II, commanding the West Nova Scotia Regiment Overseas for a time and ending up as a brigadier; he won the V.C. in the first war. In juggling manpower to essential industries, if it comes to that, he can also expect the sympathy of the men he may have to move; a lot of them will be veterans too.

In fact, this may be one of the reasons for his unexpected appointment to the turbulent labor job. Administered by a war veteran of his type, manpower controls may be less distasteful than if a nonveteran is at the helm.

However, none of these considerations will hold in the rough and tumble of straight labor-management tussling. Veteran, nonveteran, university president (which Gregg was) or straight politician, all labor is interested in is results.

* * *

Plantwide Vacations

The Toronto building industry puts away its steam shovels, concrete mixing machines and other equipment this week for its annual vacation period. Any union man caught working is liable to a fine of $50. The industry, representing over 300 firms, reached agreement with the unions back in 1945.

Since then, the idea has caught on elsewhere. Plantwide vacations are becoming more and more popular. The latest issue of Canadian Machinery and Manufacturing News (Maclean-Hunter) gives some idea of how the idea has grown. As a service to customers it offered to list the major firms shutting down, giving closing and opening dates. At last count, 250 were listed, This is believed to be only a fraction of the total number now closing down.

* * *

Making Good On A Threat

AFL Seafarers International last week made a start to make good its threat to tie up Upper Lakes and St. Lawrence Transportation Co. fleet in United States ports unless the firm signs a contract. (The Financial Post, July 1). At Duluth they threw a picketline around the freighter, Howard L. Shaw and stopped unloading of a cargo of corn. The union based its action on a charge that there were Communists among the crew and thus bad security risks for the United States.

Upper Lakes quickly got an injunction. The union retaliated with a motion to dismiss it but it was denied by Judge William Archer. He ruled the Communist charge was false. After a four-day tie-up, the vessel was finally unloaded and cleared port. At midweek, Upper Lakes and the union were still tangled up in court action and there were signs that the Seafarers would try to pull the same stunt elsewhere.

Meanwhile, in Detroit, the Maritime Trades Department of the Great Lakes Region of the AFL met and recommended closer screening of crew members on Canadian vessels. They also want to stop Canadian ships plying between U. S. ports altogether because of what they charge is the high proportion of "leftists" among the crews.

Two years ago the charge would have stood up: the Communist Canadian Seamen's Union was running the show. They had one or two key Reds on every ship. Today, the Communist stranglehold has been broken; the CSU is a derelict. The AFL accusation looks like a political move to pressure Canadian operators into signing with the AFL Seafarers.

Capt. R. B. Angus, operating manager for Upper Lakes, in denying the Red charge, termed the picketing at Duluth a "pressure move" to force Upper Lakes into a contract with the SIU, despite the fact that the union has no members among Upper Lakes crews.

* * *

Newsmen And Union

Toronto Globe and Mail has made a second application for review of Ontario Labor Relations Board's decision certifying CIO American Newspaper Guild as bargaining agent for employees in its circulation department. First application was denied . . . In Ottawa, Guild applied for Federal Conciliation in its dispute with Canadian Press . . . In Toronto, Ontario Conciliation Board rejected Guild's claims for wage increases up to $35 a week on Toronto Star, recommended no raises . . . In New York, a split appeared in ranks of 450 Guildsmen who have been on strike against the World-Telegram-Sun since June 13. A "Committee for Commonsense" has been formed and is demanding acceptance of the publisher's latest offer.

* * *

Conciliation Kick-Back

Unions that have been attacking Ontario's Conciliation service this week began shouting louder.

Lawyer Herbert Orliffe, a union representative on a Board set up to conciliate a dispute between three Northern Ontario gold mines and the Porcupine Mine Workers' union, accused the chairman of the Board, Judge J. C. Reynolds of Kingston, of making a last-minute switch in his recommendations to favor the companies rather than the union. Orliffe said that up to July 14 he and Judge Reynolds were in agreement on all major points and that the two of them would write the majority report; the employer's representative the minority finding. That day he was summoned to the judge's hotel and told of the switch. In Kingston, Judge Reynolds had no comment to make.

The majority report as it came out, rejected union demands, recommending only that a 15c cost-of-living bonus now being paid be incorporated in the basic wage structure. This was considerably less than the terms of what has been considered the pace-setting settlement at McIntyre Porcupine. This gave miners 7c over and above the cost-of-living bonus. The union is demanding these conditions for the whole area. Union reaction to the report was quick and blunt: take a strike vote Aug. 10. Involved are Preston East Dome Mine, Coniarum and Buffalo Ankerite.

Dofasco Joins Canada Makers Of Basic Steel

It's a "big four" now in Canada's basic steel industry. Long a leader in primary steel processing, Dofasco — Dominion Foundries & Steel Ltd.—last week flipped $9 millions into the steel production pot and by that move joins the ranks of the traditional big three producers of basic steel—Hamilton neighbor Stelco, the Ontario Soo's Algoma, Sydney's Dosco.

Dofasco announced award of two $4.5 million contracts to American companies. To Koppers of Pittsburgh went the job of setting up coke ovens; to John Mehr & Sons of Chicago an assignment to build a standard blast furnace. Both contracts call for immediate start and completion next summer. Dofasco meanwhile is arranging local construction contracts, including ore dock and general building expansion. Total estimate for Dofasco's long-considered venture in primary steel is put at about $13 millions.

New High Set In Bank Debits

June Figures Show Increases in All Five Economic Areas

Financial transactions by cheques in Canada reached a new high level in June at over $10 billions. Previous high record was nearly $8.6 billions in November 1945. Productive operations and wholesale prices were at high levels and speculative trading on the stock markets was active. Gain in the country-wide total was 39% over the same month last year.

Only three of the 34 clearing-house centres failed to show a gain from 1949. Gains in the economic areas were: Atlantic provinces 27.9%; Quebec 27.7%; Ontario 52%; Prairies 37.2% and British Columbia 24.9%. Large percentage gains were shown in Halifax, Ottawa, Toronto, Calgary, Edmonton and Regina.

Cheques cashed in the first half of 1950 in all Canada totaled $46.5 billions, a gain of 13%.

Increases in the five economic areas were: Atlantic provinces, 18.4%; Quebec 13.5%; Ontario 16.9%; Prairies 5.6% and British Columbia 6.4%. Here are the figures for June with comparisons:

	June 1950	May 1950	June 1949
	—Millions of $—		
Maritimes—			
Halifax	150.0	86.3	100.0
Moncton	38.6	35.3	38.5
Saint John	51.1	44.5	42.0
St. John's	38.8	45.6	37.4
Total	278.5	211.7	217.9
Quebec—			
Montreal	2,402.9	1,935.2	1,872.9
Quebec	231.2	209.2	186.2
Sherbrooke	28.4	25.8	25.3
Total	2,662.5	2,170.2	2,084.4
Ontario—			
Brantford	38.1	36.2	37.6
Chatham	28.3	28.4	24.8
Cornwall	13.8	12.6	...
Fort William	20.4	19.5	20.7
Hamilton	207.8	196.3	200.3
Kingston	27.9	22.9	22.9
Kitchener	46.5	43.1	42.6
London	125.0	105.7	108.4
Ottawa	528.5	334.9	307.4
Peterborough	29.5	29.1	25.2
St. Catharines	39.8	35.8	35.5
Sarnia	27.3	26.0	27.9
Sudbury	24.5	24.5	22.7
Toronto	3,251.9	2,281.6	1,975.3
Windsor	120.9	125.4	128.7
Total	4,530.2	3,322.2	2,980.0
Prairies—			
Brandon	13.8	13.6	12.5
Calgary	315.7	263.8	207.2
Edmonton	320.4	183.3	160.1
Lethbridge	24.4	23.7	21.9
Medicine Hat	9.3	8.9	8.9
Moose Jaw	21.9	23.1	21.1
Prince Albert	11.9	11.6	10.1
Regina	171.7	133.9	108.8
Saskatoon	46.5	43.8	41.5
Winnipeg	822.6	842.8	689.2
Total	1,758.2	1,548.5	1,281.3
British Columbia:			
New Westminster	33.8	31.3	28.1
Vancouver	675.8	609.9	536.5
Victoria	105.6	95.9	88.1
Total	815.2	737.2	652.7
Grand Total for Canada	10,044.7	7,989.8	7,216.3

CITY AND COUNTY OF SAINT JOHN, N.B., new issue of $470,000 serial debentures has been sold by tender to a syndicate headed by Wood, Gundy & Co. and including the Bank of Nova Scotia and Eastern Securities Co.

The issue consists of $196,000 3% debentures due Aug. 15, 1951-57; $144,000 3¼%'s due Aug. 15, 1958-65 and $130,000 3½%'s due Aug. 15, 1966 to 1970. The 1951-57 maturities are being offered to yield about 2.90%, 1958-60 to yield about 3.19%, 1961-65 to yield about 3.25%, 1966-69 to yield about 3.42% and 1970 to yield about 3.45%.

Proceeds are about $300,000 for highways, $105,000 for sewers and $65,000 for Saint John General Hospital.

If Life Firms Use War Clause Will Likely Be "Results" Type

Life insurance companies in Canada and the United States generally continue to watch the war news for developments that might determine their policy on inserting war clauses in new policies. So far no general action has been taken.

At a meeting of U. S. state insurance commissioners at Chicago last week the right of the companies to use a war clause in new policies was generally admitted and a "results" clause was favored as opposed to a "status" clause.

Difference is that under the former the liability of the company would be limited when death resulted directly from some war cause—rifle or shell fire, bombing, etc. Under the status clause the company's liability would be affected by the status of the individual, as civilian, service man, location in war areas, etc.

In the latter case if a soldier or airman on leave in the war area were drowned on a fishing trip while on leave, the indemnity payable would be governed by the war clause provisions. Under the results clause full indemnity would be payable.

Near the end of the last war life companies in Canada drew up a results clause which was not put into effect because the war ended.

Present company policy is inclined to leave the matter of new policies to their underwriting departments who have the right to reject an application or rate it up if desirable. What the companies are afraid of most is a rush of applications for cheap insurance such as term policies which would almost certainly be rejected, if for any large amount.

One company executive, asked if his company would accept an application from a member of the Canadian Army's Special Service Brigade, said: "I think so, if it was for a reasonable amount of insurance and not on one of the cheaper plans. We would not be likely to accept an application for term insurance or family income cover. However it would be up to our underwriting department."

Some Canadian companies are preparing a limited results clause although at midweek there was no intention of putting it into effect.

At the recent Chicago meeting how to deal with atomic bombing claims came up. This might be covered through reinsurance or a pool arrangement it was urged. A suggestion that reinsurance through the government might be arranged was opposed.

Companies meanwhile are being urged to keep separate statistics of all deaths due to war causes in the Korean campaign.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOW CHEMICAL CO. net earnings for the year ending May 31, 1950 at $33,813,105 were up 33% over last year ($25,260,473). Sales for the year at $220,830,183 were up 10% over last year. The increased volume of sales was due almost entirely to greater volume of business, the report states, as there was only a slight increase in chemical prices generally.

Sales of the Canadian subsidiary, Dow Chemical of Canada Ltd., have increased 50% in the past year the report states. The subsidiary acts as sales agent for the American company as well as distributing its own products. Offices have been established in Montreal and Regina in addition to the central office in Toronto. The company's foreign market has continued to expand and three quarters of it Styron product is now sold abroad. Construction now under way will provide facilities for the production of chlorinated solvents as well as greater capacity for mercury-cell chlorine and caustic soda production.

Service of the wholly owned subsidiary, Dowell Inc., in the Canadian oil fields was considerably expanded and is an important segment of the Dowell picture. It operated in six Canadian provinces last year.

CONSOLIDATED HOMESTEAD OIL CO. reports that subject to ratification by shareholders and to issue of supplementary letters patent changing name to Western Homestead Oils, reducing capital by consolidating each four existing shares into one new share and then increasing authorized capital to five million shares, Owen Investors has underwritten 300,000 new shares at 15c a share, payable one half in cash and the other half in 30 days and has optioned 700,000 shares at 15c to 30c a share, exercisable to the extent of 100,000 shares a month commencing 30 days after the underwritten shares have been paid for.

Dominion Foundries and Steel, Limited

An important unit in the Canadian steel industry, Dominion Foundries and Steel, Limited, is a company which is well established, capably managed, soundly financed and has an enviable business reputation.

We believe the 4½% Cumulative Redeemable Sinking Fund Preferred Shares of this Company are a conservative outlet for investment funds.

The shares are listed on the Toronto and Montreal Stock Exchanges.

Price: at the market, to yield about 4.46%

Ask any of our offices or representatives for details.

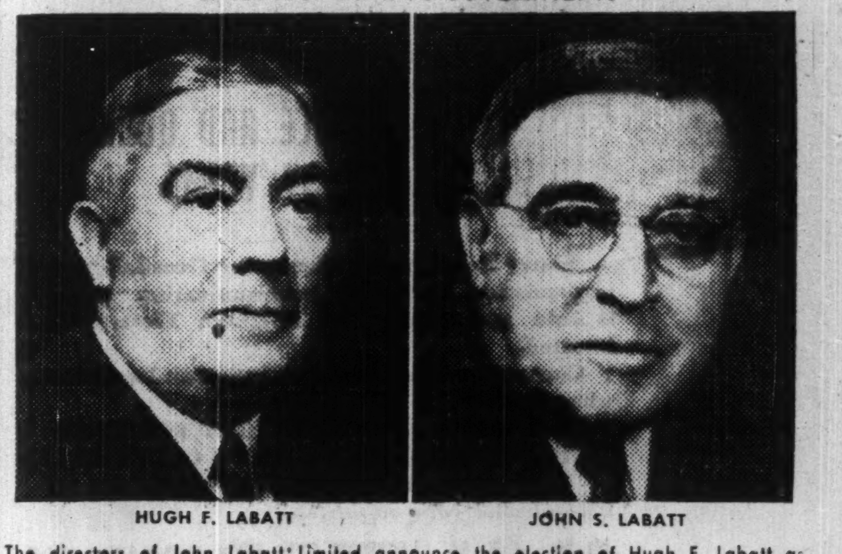
A. E. Ames & Co.

Business Established 1889

TORONTO

MONTREAL WINNIPEG VANCOUVER VICTORIA OTTAWA LONDON HAMILTON KITCHENER ST. CATHARINES OWEN SOUND QUEBEC LONDON, ENG.

LABATT ANNOUNCEMENT



HUGH F. LABATT — JOHN S. LABATT

The directors of John Labatt Limited announce the election of Hugh F. Labatt as president, succeeding John S. Labatt, both of whom celebrated their golden anniversary with the company recently. John S. Labatt will remain a director and senior brewing consultant. Hugh F. Labatt will serve, also, as chairman of the board.

85% of Canada's Farmers are Home Owners!

IN THE city, home ownership is a precious asset, but in the rural communities it is pretty well taken for granted. You may not realize it, but 85% of all Canada's farmers own their own homes with an average occupancy of 16 years—(Dominion Census).

But that's not all . . . Rural home ownership also means ownership of land, electric plants, dairies, poultry houses, waterworks, pumping outfits, pig pens, silos and power machinery. In other words, the farm is a combination "residential factory" with every-minute-of-the-year dependency upon ALL these things for the family's comfort, prosperity and very existence!

Because the farmer is a home-owner as well as a farm operator, he is a profitable customer for almost all kinds of goods and services . . . Keep that in mind when advertising to the farmer . . . and remember, you can reach more farm homes through the Family Herald and Weekly Star than through any other rural publication—over 400,000 every week!

Family Herald and Weekly Star

CANADA'S NATIONAL FARM MAGAZINE

MONTREAL CANADA

Minding my own BUSINESS!

. . . like so many people I had to learn to "mind my own business". . . but first I had to get myself a business to mind . . . It wasn't easy . . . but it wasn't hard either . . . My big trouble was I wasn't "self-starting" enough . . . when I worked as a clerk in an office . . . I'd think of lots of good ideas to help the firm . . . I worked for. But I failed to think up ideas to help myself. Then, one day I got a really good idea. I opened a Savings Account . . . And after a very short time, found I had more money . . . than I could spend on immediate needs. So I went to the head . . . of my firm and said I'd like to start an agency . . . to sell his products. Because I had money to invest mattered to him. But what mattered even more was that I was wise enough to save my money.

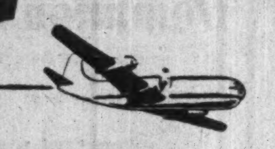
So, today, I mind my own business . . . give my firm all the good ideas I get . . . and continue to save money to make my business grow.

It is good to have ideas. And it is also good to have the money to carry them out. If you have saved wisely and well . . . your credit is sure to be good. And a good place to save is The Dominion Bank.

Whenever you visit any Branch of The Dominion Bank, you'll find friendly, courteous and efficient service. Drop in today!

THE DOMINION BANK

ESTABLISHED 1871

FOR FASTEST ATLANTIC TRAVEL
Fly B·O·A·C

STRATOCRUISER SPEEDBIRD
TO SHANNON LONDON PARIS ROME
OR ANY OF 18 KEY CITIES IN EUROPE *
Enquire about fast air cargo rates.
Ask your travel agent about BOAC's "Fare-Saver" Plan. Information and reservations also from BOAC city ticket offices.
11 flights weekly
4 from Montreal
7 from New York
BOAC TAKES GOOD CARE OF YOU
* via B.E.A.
BRITISH OVERSEAS AIRWAYS CORPORATION
LAURENTIEN HOTEL, MONTREAL, LA. 4212 · 32 KING ST. W., TORONTO, AD. 4323

John T. Hepburn Ltd.

Scot's $27.42 Now $5 Million Industry

Immigrant Epic in Machines, War Tools, Building Steel

Let's say you're 28, vigorous, imaginative. You can raise $27.42 investment capital. Your ideals are rooted in hard work, thrift, honesty, more than a lukewarm liking for your fellow man. You can, or think you can raise sons of kindred spirit. How would you play a hand like that?

Could you parlay exactly those assets in 45 years into an outstanding Canadian business success? Build your $27.42 into an industry with 500 workers, a capital investment of the order of $5 millions and high honors for war production, industrial development and enlightened labor relations?

Scot-Canadian John Hepburn did.

Here's the story of his many-sided, four-plant family enterprise, John T. Hepburn Ltd., Toronto, machine tools, foundry castings, structural steel.

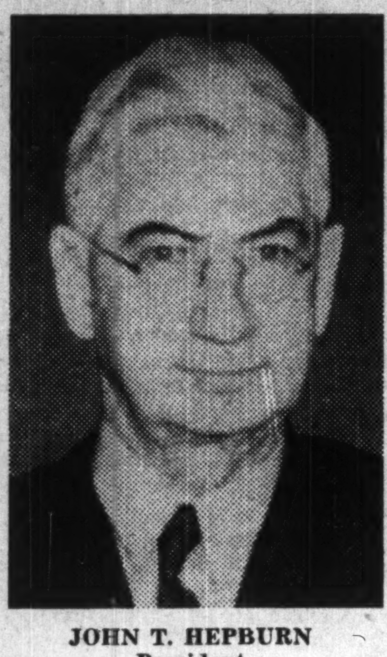
Born 73 years ago in Alloa, a tiny town in Scotland, John T. Hepburn began work at 10 in wool spinning, became a leading hand at 14, swung quickly into engineering with apprenticeship in a general machine shop and foundry, then in the structural steel fabricating works of Redpath Brown in Edinburgh.

Ten years later, at 25, the budding industrialist emigrated to Canada, engaged briefly in repair of woolen machinery with Dominion Woollen Machinery Co., and R. McDougall Co., Galt.

In 1905, after less than three years in his country of adoption and with savings of exactly $27.42, John T. Hepburn Ltd. was established at what is now Toronto's Queen and University intersection. First product: the building industry's old and still much-used Scotch hand derrick for contractors. First customer: Toronto's late John Vokes, cut stone contractor. (Incidentally, it was from Mr. Vokes' estate that Hepburn in 1945 bought one of his present four plants.)

Outgrew Two Plants

Hepburn's 1905 "seedling" derrick plant was outgrown in a year. So was his second, built in 1906 at what is now Yonge and St. Clair. By 1907, two years after the $27.42 business was launched, two plants had been found too small.



JOHN T. HEPBURN
President

JOHN T. HEPBURN, JR.
Vice-president

Demand for grey iron castings had begun to revolutionize industry, as the automotive trades rose on the business horizon. Almost abruptly, progressive minds in Canadian metalworking management turned from schedules for simple fabrication to plans and budgets for complex manufacture, for castings, milling, tooling and the like.

John Hepburn was among Canada's leaders in that sharp turn to industrial adulthood. He put his knowledge of Scottish foundry work into a third Hepburn plant which, characteristically, was pouring foundry metal before builders had the windows in place. He plunged small resources and big dreams into the place, put his machine shop and foundry together as a forerunner of later plants patterned on today's integrated production.

Business grew. New lines were added. Overhead cranes and other lifting equipment emerged bearing the Hepburn name.

Came World War I. Hepburn turned his engineering skill to development of patented "single-purpose" shell turning machines; set up an additional plant to machine shell forgings.

Grew on Building Boom

The building boom of the post-war 1920's brought into being the now wide-flung Hepburn machine and structural steel business. It began with fabrication of girders for bigger and bigger cranes, progressed into bridges and buildings. Additional developments followed fast, such as the building of Canada's first crawler crane in 1924. Then baking and brick machinery, pumps, foundry equipment, many other lines.

In 1935, with building and capital expansion at historic lows, Hepburn was doing better than limping. Years before the fact, he foresaw world conflict. He and his small group of engineers and mechanics prepared process designs for a new-war "single-purpose" machine tool line to turn out artillery and naval shells 10 times as fast as tools could make them 20 years before.

Simple, Central Idea

John Hepburn's policy from the beginning has been to "make the best product for a narrow profit margin in an ever growing product range and for a bigger and bigger customer list." The principle of developing lines of equipment and services new to Canada is still increasing Hepburn volume.

In the last war, every Hepburn hand, from the president and his sons through sub-executives, foundry, machine and steel technicians worked in some years every day but one to help produce the tools to "finish the job."

In such a highly skilled industry, rates of pay are high, training is long. There are 12 Hepburn plant men each with over 25 years' service for a combined total of 416 years. At least one quarter of the working force has over 10 years' service.

Hepburn is a private company and no public investment is contemplated. Directors are members of the family, plus John D. Wiggins, William Towers and John F. Boland.

With four plants in the immediate Toronto area, Hepburn long has manufactured "everything but the kitchen sink, and we made the foundry equipment to produce that."

Basically, the business has three main divisions: (1) foundry, producing grey iron and alloy iron castings and nonferrous castings for the automotive and appliance industries, plus heavy general castings for its own mechanical division; (2) mechanical, making in quantity single-purpose machine tools, gears and reducers, pumps, overhead traveling cranes, foundry and construction equipment and carrying out light-to-heavy machine work on custom order; (3) structural steel, fabricating heavy structures for power developments and multi-story buildings, and light structural parts for small factories, commercial buildings and homes.

As well there has been added recently a warehouse subdivision of the structural steel business, selling unfabricated steel bars, rods, plates, etc. to small-scale subcontractors.

Still Expanding

Hepburn recently completed a 40,000 sq. ft. extension to its

WILLIAM A. HEPBURN
Manager and Treasurer

newest (St. Clair Ave.) works, which has a 35-ton overhead traveling crane of Hepburn design and manufacture, including the structural steel. Some increase in working force will follow.

Production range is wide. Hepburn has made a complete sand handling and process plant for bathtub manufacture. It has turned out machines 120 ft. long for chemical industries while at the same time producing in volume small water pump rotors for automobiles, bases for domestic electric fans, summer cottage water pumps.

The structural steel division has a net capacity of 15,000 to 18,000 tons a year, or enough steel to build three skyscrapers like Toronto's newest (the Bank of Nova Scotia building). Foundry division has a net output of 1,800 tons a year.

Through war and depression the changing pattern of business has seldom meant heavy trouble for JTH. It has weathered comfortably the shock of Canada's recent virtual exclusion from European markets. From a high of 85% of all sales going to the export market over a 10-year period, Hepburn has now coasted to a low of a few per cent.

But Canadian needs and Canada's growth have risen almost proportionately and domestic business is now the stabilizing factor. Hepburn is using more plant space than ever before.

Three Sons to Back Him

John Hepburn hasn't been alone in his rise.

John T., Jr., 32 and Toronto-born, attended Upper Canada College and graduated from Purdue University, LaFayette, Ind., with a degree in mechanical engineering. He began with his father's firm at 11, first on the telephone switchboard and then in the foundry, successively as machine shop fitter and assembler. He's vice-president of the firm, vice-president Canadian Machine Tool Builders' Association, member Ontario Association of Professional Engineers.

William A., 29, manager and treasurer, is another Purdue graduate in mechanical engineering. He began with the company at 12, was recently elected a director of the Canadian Institute of Steel Construction.

James F. Hepburn, 24, third son, is attending Purdue; works summers at the Hepburn plant.

Referred to with evident warm regard throughout the plants as Jack, Jr., and Bill, the "youngsters" now are virtually running the big Hepburn show.

Happy Holiday

Canoeing comes naturally to Canadians whose forefathers moved a precious cargo of furs on Ontario streams and rivers. Today, there is an equally rich traffic on these water courses. U.S. visitors on canoe trips, hunting expeditions, or bound for a week of camping, bring extra prosperity to Ontario. Everyone shares in this tourist trade. Give U.S. guests the welcome that will bring them back. John Labatt Limited. Unionized since 1910.

FOR CANOE TRIPPERS
Labatt's
BREWERS SINCE 1832

LABORATORY INSTALLATIONS
Many of Canada's largest industries have laboratories planned, built and installed by McKay.
FRANK G. McKAY CO. LTD.
36 Wellington St. E. ELgin 6035 Toronto, Ontario

SERVICE AND QUALITY FOR 37 YEARS

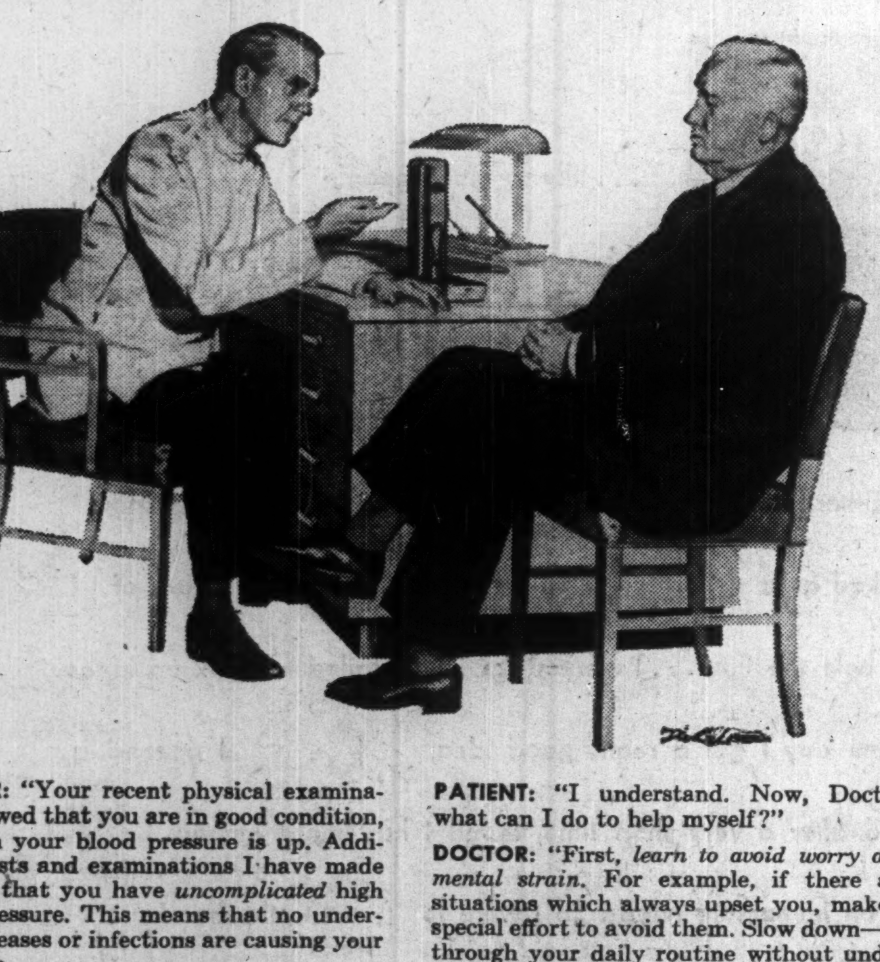
Slater Pole Line Hardware for Canada's power transmission lines and communication systems is sold and stocked by Northern Electric Co., Limited.

Contact us direct for information and assistance when you need . . .
PRESTMETAL PARTS · LIGHT FORGINGS
VITREOUS ENAMELLING · HOT GALVANIZING
SPECIAL MANUFACTURING
We welcome your enquiries.

N. SLATER COMPANY LIMITED
HAMILTON-CANADA
Montreal Winnipeg Vancouver Edmonton

The doctor advises a patient about

HIGH BLOOD PRESSURE



DOCTOR: "Your recent physical examination showed that you are in good condition, although your blood pressure is up. Additional tests and examinations I have made indicate that you have *uncomplicated* high blood pressure. This means that no underlying diseases or infections are causing your condition.

"Actually, high blood pressure, or hypertension, may be slight, moderate, or severe. Even when it is severe, many people continue to lead active, normal lives for many years simply by following the doctor's advice and by adopting healthful living habits."

PATIENT: "Just what is high blood pressure?"

DOCTOR: "It is a condition that results when the blood flowing through the body's small vessels meets increased resistance. This is usually brought about by the narrowing of these small vessels. This narrowing may occur in response to emotional or other factors.

"Everybody's blood pressure varies from time to time. However, when these blood vessels remain *constantly* tightened up, persistent high blood pressure results."

PATIENT: "How does high blood pressure cause harm?"

DOCTOR: "Mainly by placing an additional strain on the heart and blood vessels. This, in turn, causes enlargement of the left ventricle of the heart. As a result, the efficiency of the heart's chief pumping chamber is lessened. Then, too, the arteries wear out sooner than they would if the blood pressure were normal."

PATIENT: "I understand. Now, Doctor, what can I do to help myself?"

DOCTOR: "First, *learn to avoid worry and mental strain.* For example, if there are situations which always upset you, make a special effort to avoid them. Slow down—go through your daily routine without undue fuss or hurry. The calmer you become, the more your blood vessels tend to relax—and thus help to lower your blood pressure. You must also *get your weight down to what is normal for you and keep it there, you must get plenty of sleep and rest, and you must not neglect having periodic health examinations.*"

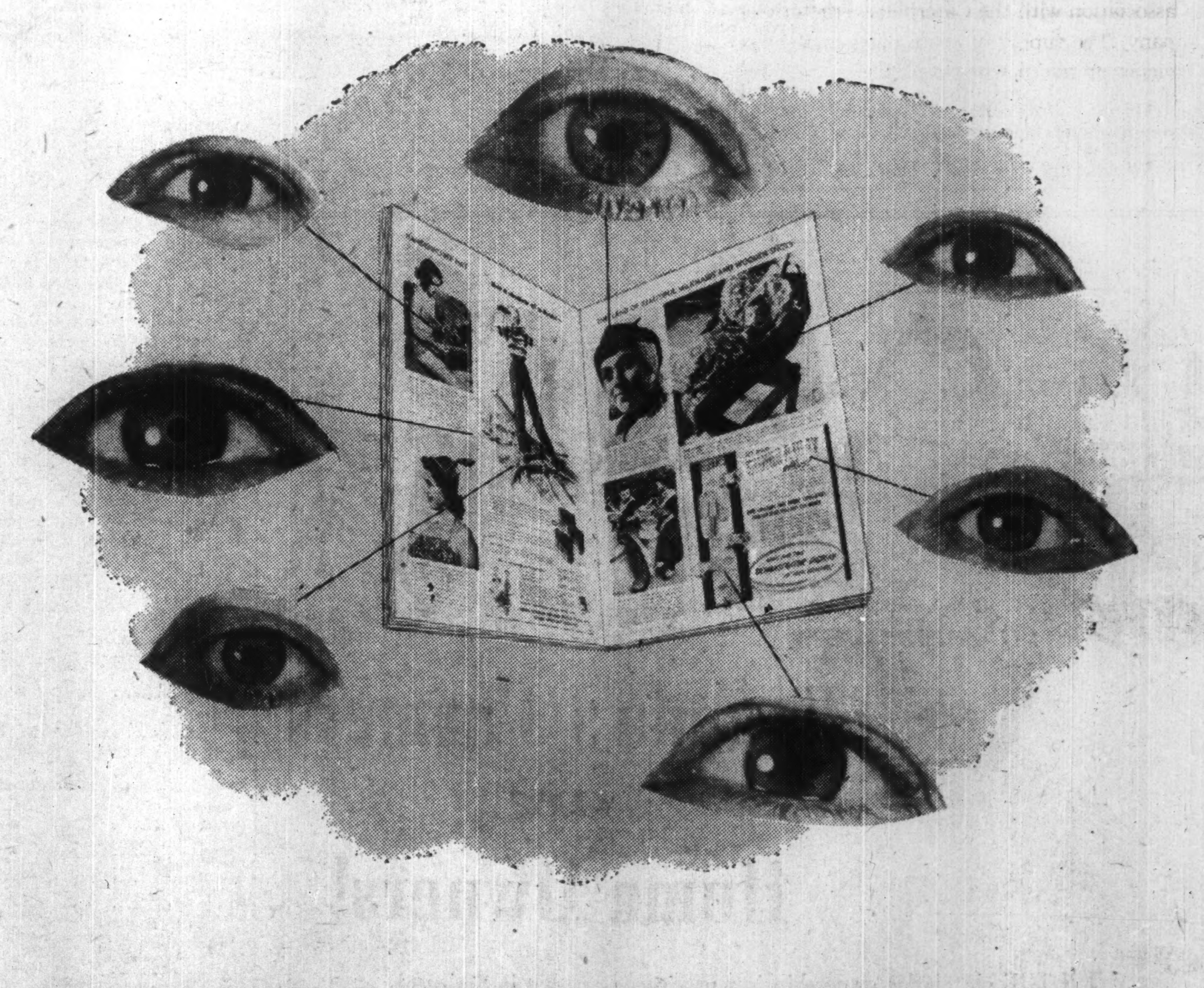
PATIENT: "What about the new treatments . . . special diets and drugs?"

DOCTOR: "In *selected* cases, the newer forms of treatment are often helpful. Some of the newer drugs may be helpful in many cases but owing to the wide variation in the causes of high blood pressure, these should only be taken with the advice of your physician. Various diets in which salt, protein, and fats are restricted have often benefited some patients. But in your case, like many others, simple common sense treatment usually produces good results."

Knowledge of what causes high blood pressure is increasing, thanks to research supported by the Life Insurance Medical Research Fund and others. In fact, there is hope that both preventive and curative measures may be found as research continues. For more information about high blood pressure, write for Metropolitan's free booklet, 80-Y, entitled "Your Heart."

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
Home Office: New York
Canadian Head Office: Ottawa

Please send me a copy of your free booklet, entitled "Your Heart," 80-Y.
Name............
Street............
City............ Prov............



Your advertisement needs all the readers it can get!

These days, with your advertising dollar having to work overtime, your advertisement *needs* all the readers it can get. And surveys prove the unique ability of pictures to attract the most readers.

The reason is obvious. People like looking at pictures—it's a language they've understood ever since their childhood story-book days. That's why the rotogravure picture sections enjoy such intense reader interest—they're alive with pictures! And when your advertisement is surrounded by these pictures, it can't help but benefit from the reader interest which these pictures have created.

And in the rotogravure sections of the Big Four National Week-end Newspapers your advertisement is not only *seen* and *read* . . . but it is seen and read by *more* people because this group of publications takes it into 1,792,330 homes, French and English, from coast to coast, with little duplication. Thus, you get *greater* reader interest among a *greater* number of people than in any other similar type of media . . . and at a cost, in full-page MONOTONE, that is 1/3 of a cent per family—even less per reader!

THE BIG FOUR National WEEK-END NEWSPAPERS OF CANADA
STAR WEEKLY
LA PATRIE
LA PRESSE
THE STANDARD

WANTED
Manufacturing or Distributing Business

A prominent firm of Chartered Accountants has been retained by an experienced British industrialist who desires to purchase for Sterling, on favorable terms, a Canadian manufacturing or distributing business with prospects for development.

All inquiries received in this connection will be treated with the strictest confidence. They should be sent to the address below, and will be turned over to our client unopened. Please mark the envelope "Department G" for identification.

ALBERT JARVIS LTD.
73 Adelaide St. W.
TORONTO

RYDER
MACHINE TOOLS
For Production-Toolroom-Maintenance
J. H. Ryder Machinery Company
Montreal • Toronto • Windsor • Winnipeg

Across the street –
Across the country –
Across the ocean –

Call
PR. 2171
for
MOVING . PACKING
STORING · SHIPPING
First-class service that costs you no more.
M. RAWLINSON LIMITED
610 YONGE ST., TORONTO
established 1885

Sunshine STEEL STORAGE EQUIPMENT

INVESTIGATE
THE
HIGH QUALITY
AND
REAL ECONOMY
OF THESE INSTALLATIONS
Write For Catalogue

STEEL LOCKERS • STEEL SHELVING — ALL TYPES
AUTOMOTIVE BINS • DRAWER CABINETS • STOCK TRUCKS

Sunshine Waterloo Co. Ltd.
Waterloo, Ontario

JACK OLDING
& Co. Ltd.

JACK OLDING & COMPANY LIMITED regret to announce that they are terminating their long association with the Caterpillar Tractor Company. The supply of spare parts and the servicing of tractors will continue to be carried out by JACK OLDING & COMPANY LIMITED until such time as the Caterpillar Tractor Company has made alternative arrangements.

JACK OLDING & COMPANY LIMITED take pleasure at the same time in announcing that they have been appointed the sole world distributors for the Track Type Tractors and ancillary equipment of which the production is being undertaken by Vickers-Armstrongs Limited. These tractors will be fitted with Rolls-Royce Diesel Engines.

THE ADVERTISING BUSINESS By WALLACE GILLESPIE

How Advertising Can Double Your Net

Here's Analysis of Cost-Profit-Ad. Budget Relationships

Any enterprise that breaks down its costs to fixed and variable expenses—and relates them to advertising and profits — is bound to get a convincing and perhaps shocking picture of the costliness of inadequate advertising.

Chicago financial consultant Stanley Harold Morgan reaches this conclusion after working out a method by which break-even charts can be used in determining an advertising budget efficiently.

In an article in the U. S. magazine Tide, he details how a firm doubled its net profit through an increase in sales from $50 millions to $60 millions.

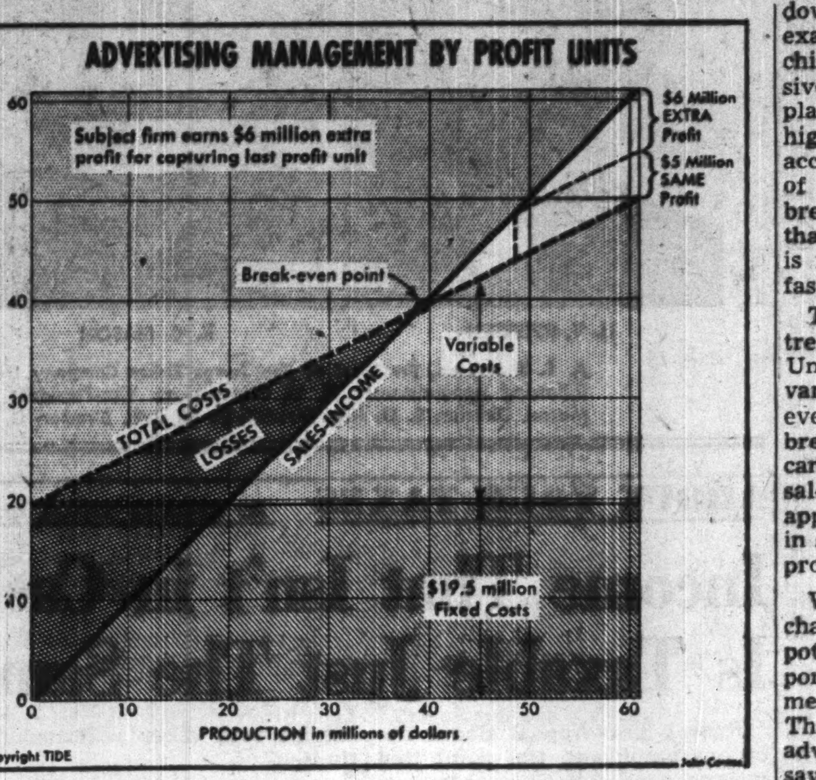
More than an isolated "case history," the example provides an exposition of Morgan's fresh tack on the perennial question: Should the advertising budget be based on some inexorable ratio of sales, or would some other system contribute more to the firm's net profit?

Morgan's argument is that there is a better method than the traditional "percentage of sales," which tends to produce big budgets in boom years, smaller ones in lean times.

The better system, he says, lies in a study of the relationships existing between costs, profits and advertising budgets. His thesis is indicated by the title: "How Advertising Increases Profits Faster Than Costs." Then, in more scholarly tone, Morgan describes his study as: "a basic treatment of the break-even chart as a means of co-operation with management to enlarge profits through increased advertising."

The break-even chart on which Morgan bases his study is not new, but his method of relating the chart to advertising expenses is. The importance of taking this further step is indicated by Morgan:

"It can never be estimated how many untold millions of dollars of potential profit are lost to industry for failure to relate advertising to the factors of fixed and variable costs. Conventional practices of percentage allowance, fixed amounts per unit and flat sums for the advertising appropriation frequently fail to take into consideration the effect of the inter-relationship of fixed and variable costs. Thus the chronic under-advertising of many enterprises is practically ensured. And the larger profits above the break-even point are lost."



—Chart by Tide

Fixed Costs

Morgan's study takes the break-even chart of an unnamed, but actual, corporation. Its fixed costs come to $19.5 millions and include expenses like rent or property taxes, insurance, interest on money borrowed, wages for a skeleton labor force, some depreciation and obsolescence, among other things. They apply whether this particular business is doing no business at all, or doing a capacity business of $61 millions worth of sales.

Just as the cost of a license plate per mile of travel becomes continuously less with each succeeding mile traveled, so the average fixed cost of production grows smaller as the production scale goes up. While most of the items included in the fixed expense could be greatly reduced under conditions of dire necessity, they normally would not be reduced in a going concern.

Variable costs, which go up as production goes up, are placed graphically on the top of the fixed costs of enterprise. Working at top capacity, for example, a firm might need a tremendous labor force; the difference between its skeleton labor force required for no production, and the force required for larger production, is a variable, depending upon the size of production.

In the case of the company studied, variable expenses are about $5 millions for each $10 million sales and production unit. These are added to its fixed expenses of $19.5 millions. If it produces nothing, its expenses are anchored at that figure; but for each $10 million worth of sales, it has to spend $5 millions more in variable expenses. So, if the company is producing at $60 millions, its variable expenses amount to $30 millions (six $10-million units at $5 millions in variable expenses per unit), and its total expenses are $49.5 millions.

The final ingredient in the picture is the sales income figure which, unlike fixed costs, always has to start at zero. The sales income line then moves upward (on a 45-degree angle in the graph) through arbitrarily-set dollar sales units which, in the case of big companies, are usually fixed at $10 millions each, for simplicity. Of course, the point at which the sales income line crosses the total costs line is the point at which the company is breaking even; at that point, it costs the firm exactly as much, in fixed and variable costs, to produce a given amount of goods as it will get back from selling them.

Break-Even Point

In the case cited, break-even point occurs at $39.4 millions. Above that sum, only variable expenses have to be taken into account when planning further production; the fixed costs have been absorbed.

Mr. Morgan says this point should be remembered since it follows that, above the break-even point, profits increase faster—on a percentage basis—than any increase in sales. This, he explains, is the prime economic reason why more than proportionately advertising pressure can be profitably used to produce a small additional percentage of sales. The funds which are spent to provide the added advertising pressure can be quickly offset by increased earnings as the profit area progressively widens.

It works the other way too. As you move backwards toward zero from the break-even point, losses increase—on a percentage basis—faster than the sales income decreases, because fewer units of production have to absorb fixed costs. This, he writes, is the prime economic danger which threatens an enterprise which slashes advertising in the event of a decline in sales. The funds which can be saved by cutting advertising may be quickly offset by the losses that may occur as the loss area widens.

Coming nearer to the kernel of Mr. Morgan's argument, the company which has hit the break-even point of $38.4 millions worth of sales naturally increases production still further and starts to show a profit. By the time it nears the $50 million sales mark, total costs are running nearly $44 millions and profit is about $5.5 millions.

Then, if sales and production are pushed up through the last $10 million sales unit to bring capacity production of $60 millions, costs rise to $49.5 millions, profit to around $11 million. In this way, profit doubles by increasing production only $10 millions worth. Putting it another way the last $10 millions in sales volume is worth as much to the company in earning capacity as the entire $50 millions of volume preceding it.

To move the additional $10 millions in sales volume, additional advertising pressure could be profitably applied in any amount up to $5 millions. If $10 millions of sales volume could be moved by an addition of $3 millions in advertising pressure, the company would earn approximately $2 millions more than it would otherwise have done.

Spending $3 millions in extra advertising to increase sales volume by $10 millions means that the advertising investment would be 30% of sales. But it would increase total earnings of the company by approximately 40%, or from $5 millions to $7 millions.

Morgan emphasizes that the $3 million advertising effort is—and should be—in addition to any sums previously allocated for advertising and included under the total costs line.

Conservative Example

The consultant says the example he has chosen is a conservative one. In recent years the tendency has been to increased fixed costs in order to bring down variable costs. He says, for example, that labor-saving machinery is invariably more expensive than the equipment it replaces—and therefore represents higher fixed cost — but this is accompanied by a flattening out of the variable costs line in the break-even chart. The result is that, after the break-even point is reached, profits increase even faster.

Take the airlines which have a tremendous burden of fixed costs. United Airlines, he says, has variable expenses of only 10c on every new dollar above the break-even point; the other 90c can flow through to net. To keep sales up to the point where this applies, United would be justified in spending considerable sums on promotion.

Working with a break-even chart to picture a firm's profit potential can be at least as important to advertising management as to financial management. The great value of its use to the advertising executive, Morgan says, lies in the fact that it can enable him to serve industrial enterprise with greater profit. He can graphically illustrate to financial management the greater profit to be had on each succeeding unit of volume above the break-even point and the advisability of increased advertising pressure to secure a comparatively small percentage of additional sales, which can carry an extraordinary amount of profit.

It was Stanley Morgan who, a year ago, made a comprehensive and exciting study of advertising's power to increase the capital value of an enterprise.

CNR Revenues Continue Rise

MONTREAL (Staff) — CNR revenues continued to show marked improvement in June, with net revenue for the month totaling $6½ millions against $886,000 a year ago and 6-month net $16½ millions compared with $950,000. Comparative statements follow.

	1950 $	1949 $	Incr. $
Month of June			
Oper. rev.	47,770,000	40,589,000	7,181,000
Oper. exp.	41,217,000	39,703,000	1,514,000
Net rev.	6,553,000	886,000	5,667,000
6 Mos. Ended June 30			
Oper. rev.	255,953,000	236,774,000	19,179,000
Oper. exp.	239,459,000	235,824,000	3,635,000
Net rev.	16,494,000	950,000	15,544,000

SPORTSMANSHIP IN "CANADA UNLIMITED"

Swimmers of a dozen nations gathered round the palatial new pool at Wembley, England. It was the day of the Empire Games swimming meet—a day slated for its full share of surprises.

The Canadian swimmers—overlooked by the experts—first scored an upset in the women's events, taking four wins. Next the men's 100 yard free style fell to Canada . . . climaxed by four relay victories. The team of 1934 had swept the board for Canada's first Empire swimming triumph!

First! in Canada Unlimited

Close teamwork has won many firsts for Canadian sportsmen. And sportsmanship, with teamwork, can help you, too—in work and play. Together they keep your scope for opportunity in Canada . . . unlimited.

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BREWING COMPANY LIMITED

FB-520

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The periodical valuation and analysis of your holdings enables you to determine accurately your current investment position, and in some cases to make certain changes which will strengthen your position.

We suggest that once a year you mail a list of your holdings to us in order that we may advise you regarding current values and submit a detailed analysis.

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Buying and Selling Orders accepted for execution at regular rates of commission on the Toronto, Montreal and New York stock exchanges.

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ROTHESAY COLLEGIATE SCHOOL
An Old New Brunswick Boarding School
—for boys between the ages of 10 and 18—
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Registration now in progress for Fall Term. Individual instruction—Small study groups—Combined matriculation and secretarial courses—Telephone MI. 2073.
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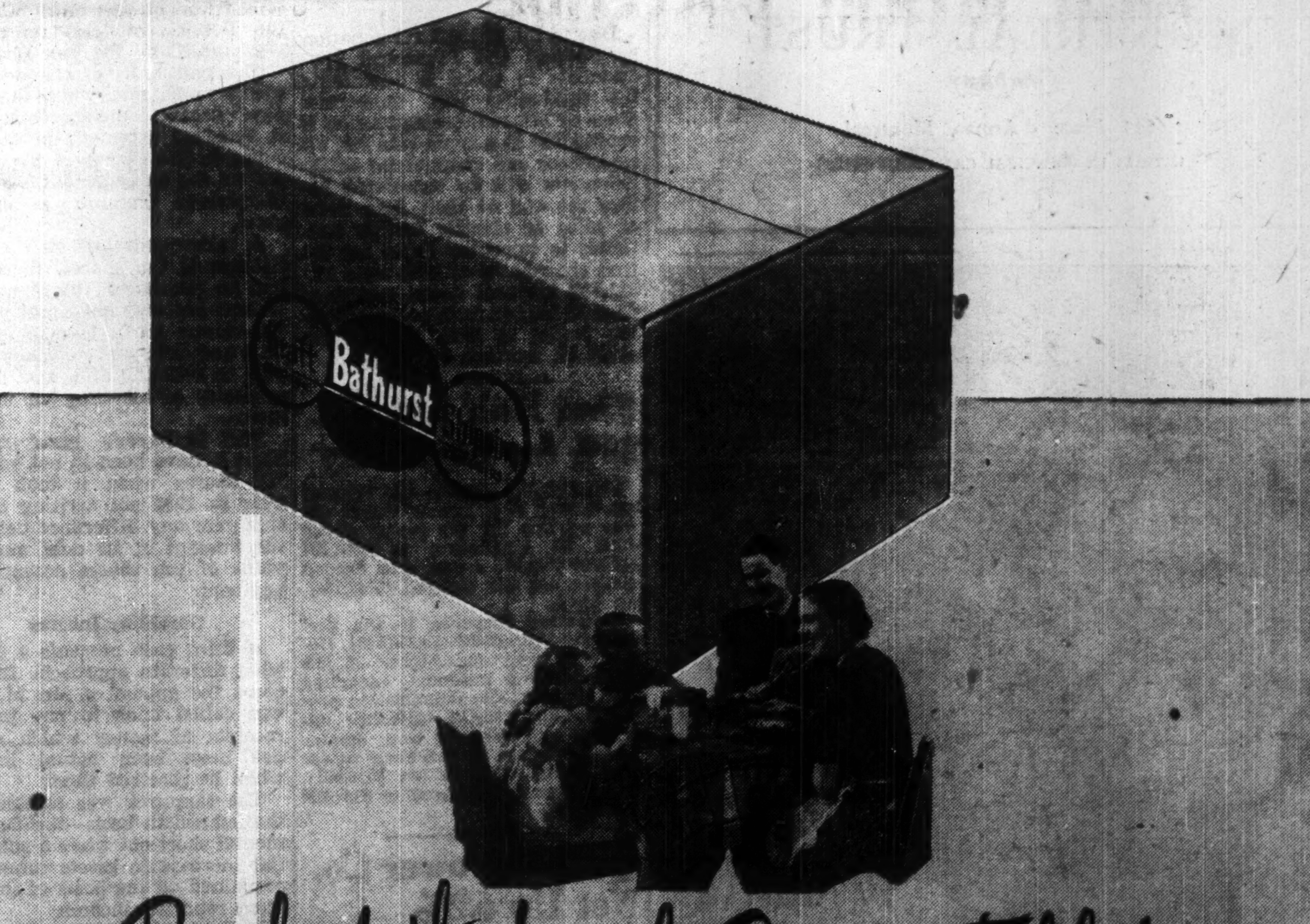

Back of the family Dinner Table!

Every year a greater and greater proportion of foodstuffs for the tables of Canadian families reach retailers in our rigid corrugated kraft shipping cases and containers!

Shippers have found that they can depend on the uniform quality, strength and efficiency of products bearing the Kraft Containers Limited or Shipping Containers Limited name. Wherever merchandise needs maximum protection at minimum cost these corrugated containers and other packaging specialties are a natural choice.

Years of laboratory research and a wealth of practical experience stand behind our products. May we discuss your packaging problems with you? A representative will gladly call upon request.

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Our services to individuals include: acting as executor and trustee under wills, as administrator of intestate estates, as agent for other executors and trustees and as trustee of voluntary trusts; also, the management of securities, real estate and mortgages and the preparation of income tax returns.

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Craven 'A' will not affect the throat

There's really nothing finer than Craven 'A'. I find them so delightful. The smooth, cool, fresh smoking pleasure Craven 'A' gives can always be depended upon!

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The largest-selling Cork Tipped Cigarette in the world.

CRAVEN PLAIN—without cork tips—same fine quality as Craven 'A'

CARRERAS LTD. LONDON, ENGLAND 150 YEARS' REPUTATION FOR QUALITY

T.S.E. Short Position Down

The semimonthly short position report of the Toronto Stock Exchange as of July 31 shows the aggregate short positions, eliminating odd lots, on the books of the member firms at 270,850 shares of 111 issues, compared with 280,325 shares of 124 issues on July 14.

Largest net changes in short position of individual mining stocks since July 14 were:

Stock	Shares	Stock	Shares
Pan-West.	—14,000	Osisko	+4,400
L. Fortune	+7,000	Lake-Osu	+4,000
Piccadilly	+6,500	Newlund	—3,225
Madsen	—5,400		

Largest net changes in the industrials were: Atlas Steel down 525; Brown Co. up 450; Industrial Acceptance up 300.

The short position shows as follows:

Stock	Shares	Stock	Shares
Abitibi	4,000	Jaculet	2,500
Akaitcho	3,000	Kayrand	500
Anacon	9,200	Kerr-Addison	750
Anglo-Cdn.	100	Labrador	1,350
Argus	600	L. Dufault	1,000
Arjon	500	L. Fortune	7,000
Ascot	7,200	Lake-Osu	6,000
Atlantic Oil	1,700	Lamaque	50
Atlas Steel	300	Laura Secord	225
Aumaque	7,000	MacLeod	9,200
Aunor	200	Madsen	600
Base Metals	5,500	Malartic G. F.	500
Bevcourt	1,500	Massey-Harris	750
B. C. Forest	700	McKenzie	3,000
Brown Co.	750	Mining Corp.	300
Buffalo Ank.	200	National Pete.	2,800
Calg. & Edm.	1,200	Negus	600
Can. S.S. Lines	50	New Calumet	1,000
Cdn. Brewer.	1,600	Newlund	32,700
Cdn. Car & F.	25	New Norzone	6,500
Cdn. Celanese	50	Nicholson	3,000
Cdn. Oil	130	Noranda	250
CPR	300	Norlartic	1 000
Cdn. Vickers	100	Nor. Denison	500
Cent. Leduc	1,500	Normetal	200
Centremaque	2,000	Orange Crush	600
Chesterville	100	Osisko	20,900
Cochenour	100	Pacific Pete.	4,950
Cockshutt Pl.	150	Pend Oreille	1,500
C'wealth Pete.	400	Piccadilly	8,000
Cons. Ansley	2,500	Pickle Crow	6,400
Cons. Lebel	3 500	Porc. Reef	1,000
Cons. Paper	125	Preston	1,500
Cons. Smelters	210	Price Bros.	50
D'Aragon	500	Que. Manitou	2,000
Discovery	1,500	Queenston	4,500
Dist. Seagrams	100	Quemont	1,200
Dome	200	Royalite	300
Dom. F'ndries	50	Shawkey	1,000
Dom. Steel B	100	Sherritt	4,600
East Malartic	600	Silanco	1,000
East Sullivan	3,500	Silver-Miller	1,500
Eldona	2,000	Starratt Olsen	2,500
Eureka	2,000	Steep Rock	8,800
Federal Grain	100	Sullivan	500
Federated P.	1,200	Taku	27,500
Ford A	425	Teck-Hughes	600
Giant Y'knife	1,000	Tombill	500
Golden Man.	4,300	United Keno	2,100
Gt. Lakes Pap.	300	Upper Can.	2,300
Gypsum	100	Villbona	3,000
Hayes Steel	50	Waite Amulet	100
Hudson Bay	25	Walkers G&W	1,085
Imperial Oil	1,200	Wiltsey	1 000
Ind. Accept.	350	Wpg. Electric	340
Int. Paper	1,160	Total	270,850

L. St. Law. Power Net Up 9% In Half

Net profit of $83,630 for the six months ended June 30 is shown by Lower St. Lawrence Power Co. This is up 9% over the corresponding period of 1949 ($76,871), equivalent to earnings of $10.45 per preferred share and $2.98 per common share ($9.60 and $2.66 for six months to June 30, 1949).

Operating revenue of $31˙,931 was up 72.5% over corresponding 1949 period ($180,529). Operating expenses of $191,141 represented an increase of only 5.88%.

Due to the $5 millions donation by Federal and Provincial governments to assist in rebuilding the residential and commercial areas of Rimouski, construction is proceeding at a rapid rate and all residences and commercial establishments will be completed before the end of 1950. The trend of sales of electric energy continues to improve. Sales for the first six months of 1950 were 17,311,789 kilowatt hours compared with 15,104,697 in the corresponding period of 1949. This represents an increase of 14.6%.

First Half Net Up 25% for Saguenay

MONTREAL (Staff)—Six months' net income of Saguenay Power Co. was up 25% for the period ended June 30, amounting to $804,304 against $641,210 a year ago. Second quarter net was $393,666 ($347,138), up 13.4%.

Operating revenues in the first half were $3,963,468 ($3,253,247). Deductions were also higher at $1.9 millions ($1.6 millions), including $408,648 ($292,355) depreciation provision and $699,412 ($445,348) operating maintenance and administrative expenses. Purchased power was lower ($418,822 vs $512,901). Bond interest increased to $447,706 ($378,000).

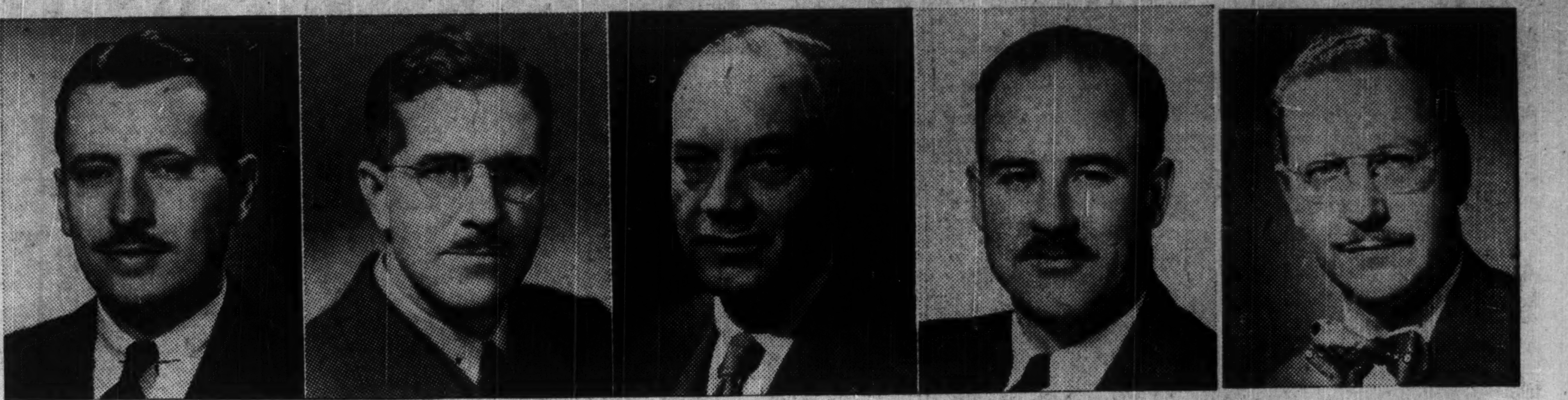
Quebec Power Co. Net Up 6.2%

MONTREAL (Staff) — Quebec Power Co. increased its net profit 6.2% in the first six months this year compared with the 1949 first half, with earnings per share equal to 59c (55c).

Gross revenue was higher at $3.4 millions, up $400,000 from a year ago. Operation, taxes and other expenses were $2.3 millions, (2 millions); fixed charges $253,620 ($256,200); depreciation $354,000 ($275,000) and income and profits taxes $203,760 ($191,142).

Before providing $276,599 dividends (both half-years), net profit was $326,574 ($307,479).

NEW DIRECTORS OF JAMES FISHER ADVERTISING AGENCY



H. V. PETERSEN · H. C. MASON · S. G. LAW · H. M. DUFF · G. E. FOWLES

A. L. Thompson, President of The James Fisher Company Limited, announces the following appointments: H. V. Petersen, as Vice-President and Director; H. C. Mason, Director; S. G. Law, Director; H. M. Duff, Director; G. E. Fowles, Treasurer.

George A. Martin will continue as Vice-President and Director and R. I. Frears as Secretary and Director. The new appointees to the Board have all been with The James Fisher Company for many years. *

ABOUT YOUR TAXES — By STUART THOM, LL.B.

Income That Isn't in Cash Is Taxable Just The Same

Recent Tax Appeal Board decisions emphasize the point that income need not be received in cash in order to be taxable. In the case of Green amounts of interest had been credited to the taxpayer's account by a finance company in respect of deposits he had made with the company.

The Board considered his argument that such income had not been received was of sufficient weight to justify writing a judgment pointing out that the interest had been indirectly received and was income within the meaning of the Act.

Paid in Stock

In the case of Bowyer-Boag Ltd., the taxpayer, a contracting company, had taken payment for work done for a building company by way of shares of the capital stock of the building company.

This was in 1930 when the debtor was short of cash, but not actually insolvent. Whatever the real value of the shares might have been at the time, the taxpayer accepted them as payment at their par value and the debt was shown as paid in that amount. The judgment does not state whether the taxpayer showed the whole amount as income in 1930, but the implication is clear enough that it did.

In any event, the shares became worthless very shortly after the taxpayer finally sold them for a nominal sum in 1946. Having done so, it attempted to write off its loss to bad debts in 1946. This write-off was disallowed by the Department and its action was upheld by the Tax Board.

The real basis of the decision seems to be that when the taxpayer accepted the shares in 1930, it received payment of its account to the extent of the value put on the shares and the shares themselves became a capital asset.

A subsequent loss on the realization of the shares, therefore, had no relation to the taxpayer's income account and could not be the reason for a loss as though on a bad debt. The debt had been paid in 1930 and after that it was a matter of handling an investment.

The taxpayer's error would seem to have been in not valuing the shares when it took them over in 1930 and writing off in that year any difference between the amount of its debt and the value of the shares accepted in payment.

Gambling Income

A third case presents a somewhat different approach. It concerns the appeal of Mr. M. who was called upon to pay tax on receipts of money which might not have been actual income when he received them.

The taxpayer was assessed on the net worth basis—the Departmental short cut when a substantial increase in assets cannot be explained on the basis of savings from reported, income.

If the harassed citizen exposed to this treatment can show that he inherited a fortune, presumably he will have an effective answer to the Department's assumption that he had received income which had not been reported.

Mr. M. chose to say that he had averaged around $10,000 a year by playing horses and that as gambling income was not taxable, he was in the clear. The Minister's reply to this was to suggest, without proof, that the appellant had engaged in bootlegging and other nefarious activities.

In the result, the Board was so impressed with the generally unsatisfactory character of the appellant that it refused to believe any part of his story and dismissed his appeal.

Mr. M. might not be entitled to a great deal of sympathy, but it is nevertheless possible that he had received nontaxable gambling receipts on which, for lack of adequate evidence, he was required to pay tax.

Imperial Oil Net Jumps 26% In Half

Net operating profit of Imperial Oil Ltd. for the first six months of 1950 is estimated at $10,975,499, after provision for income taxes, or equivalent to 40c a common share, President G. L. Stewart advises shareholders. This is 26.5% higher than the comparable net of $8,667,178, equivalent to 32c a common share, for the first six months of 1949.

Volume of sales increased 14% over the total sales volume for the first half of 1949, Mr. Stewart says. Because of seasonal fluctuations in petroleum markets, results for an interim period are not necessarily indicative of a full year's performance, he points out.

DOME MINES gross production for July amounted to $490,577 with 57,100 tons milled compared with production of $517,193 in June.

W. Plywood Plans Start at Quesnel

From Our Own Correspondent

VANCOUVER—Western Plywood Co. states it will start construction immediately of a $1 million mill at Quesnel, B.C., to employ 200 men.

Western Plywood holds a forest management license on 80 000 acres 25 miles north of Quesnel. Specializing in hard-surface plywoods the company is the first in B. C. to tie in with the forest management license plan developed by the B. C. Government. The plan is designed to integrate woods and factory operations and includes provisions for maintenance of the licensed tract on a perpetual yield basis.

A wholly owned subsidiary of Western Plywoods, the new operation will be known as Western Plywood (Cariboo) Ltd

John G. Bene is president and managing director of Western Plywood.

Waterous Net Down 32.5% For Half

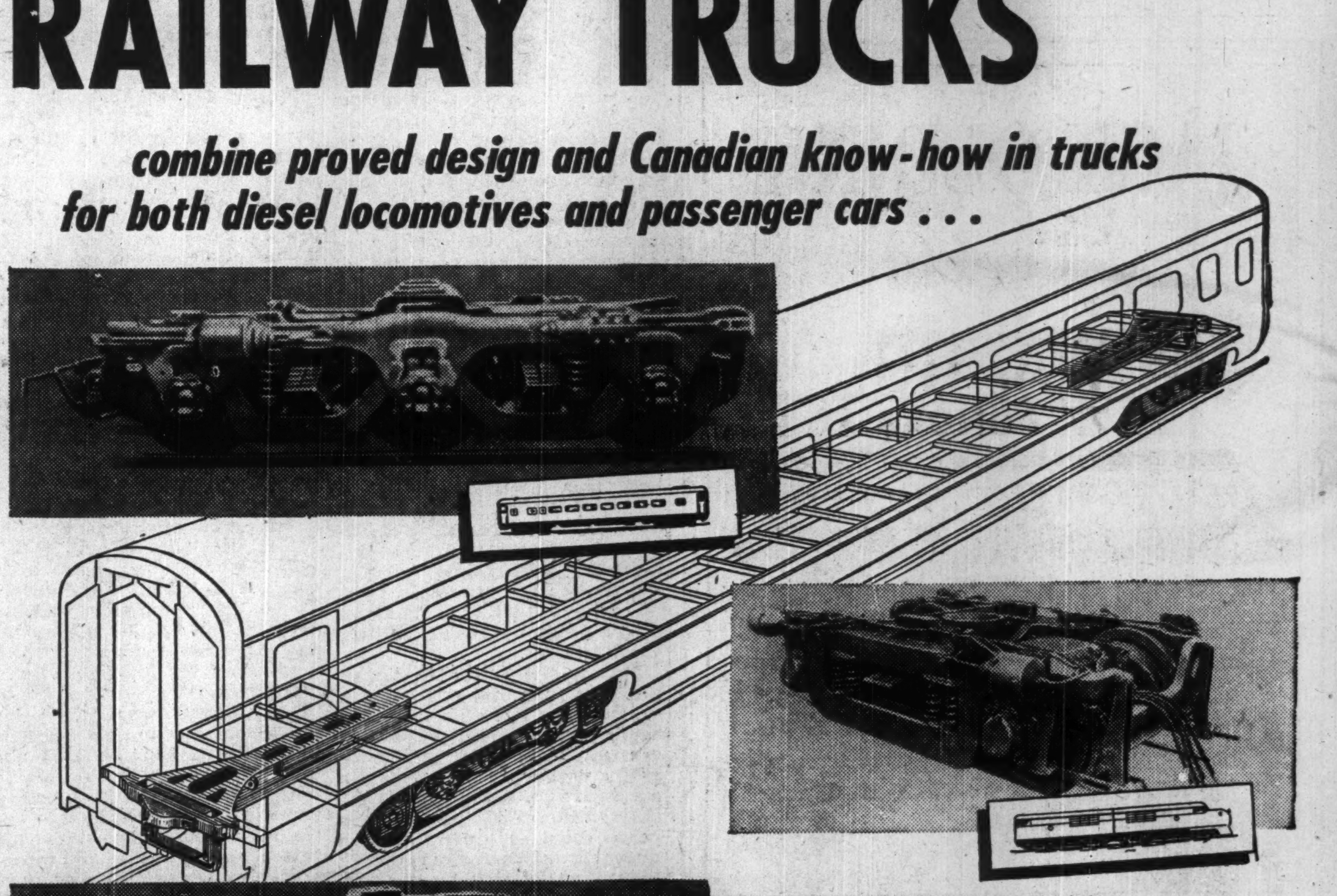
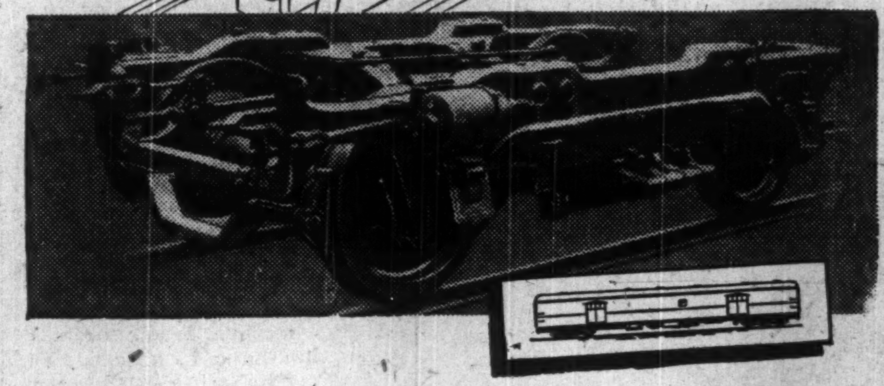
Net profit of Waterous Ltd., Brantford, Ont. amounted to $80,878 for the first half of 1950, after providing $45,575 for depreciation and $50,085 for taxes, it is stated. This is down 32.5% from the net of $119,882 for the first half of 1949.

The net profit for the first half of 1950 is equivalent to earnings of $2.13 a Class "A" share and to 66c a common share.

For the whole year 1949 net profit was $111,894, equivalent to $2.95 a Class "A" share and to 82c a common share.

COMMONWEALTH RAILWAY TRUCKS

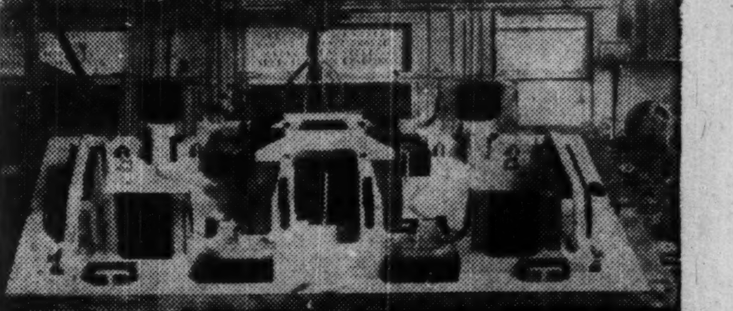
combine proved design and Canadian know-how in trucks for both diesel locomotives and passenger cars ...

Upper left — 6 wheel Commonwealth Truck for Canadian National Railways passenger cars.

Above — 4 wheel Commonwealth Truck for 1500 h.p. diesel electric road switcher locomotives.

Left — 4 wheel Commonwealth Truck for Canadian Pacific Railway Company baggage, mail and express cars.



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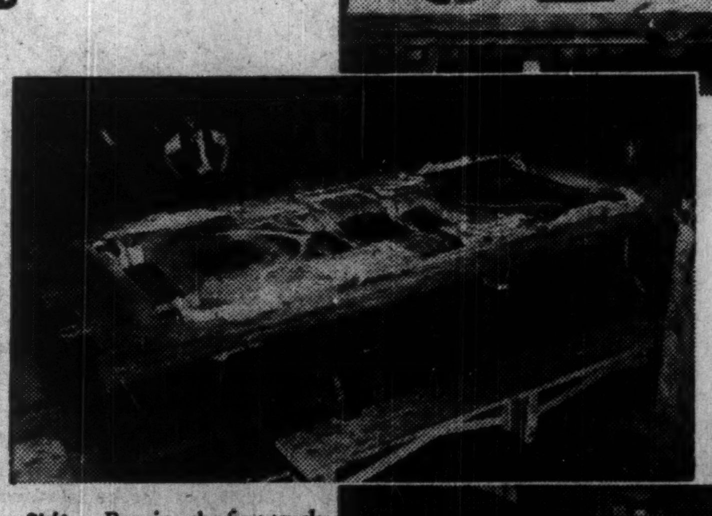
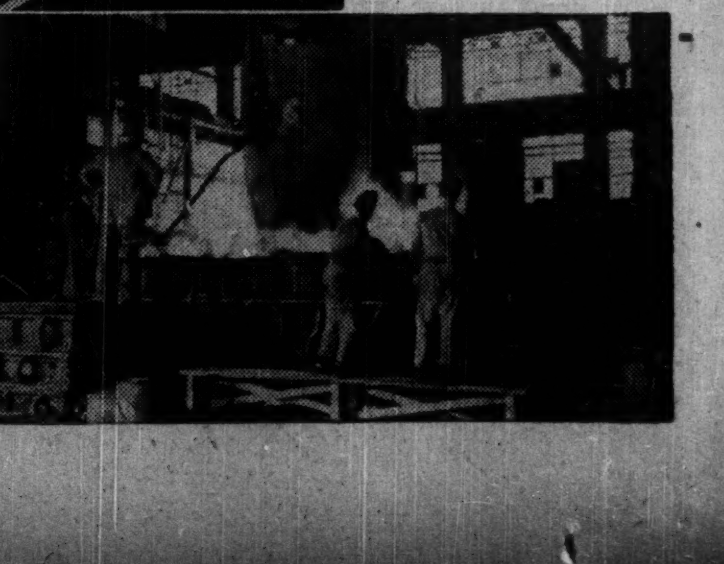


Pictures taken in Steel Foundry at Longue Pointe:

Top — Part of pattern used in making the moulds in which the frames for Commonwealth Trucks for diesel locomotives are cast.

Left — Half a mould ready to be cast.

Right — Pouring the first truck frame ever made in Canada.



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Canada's Largest Manufacturers of Railway Rolling Stock and Equipment
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B. C. Underwriters Association Reduce Rates on Certain Risks

From Our Own Correspondent

VANCOUVER — B. C. Underwriters Association has announced a reduction of about 10% in the annual fire insurance rates in many B. C towns and cities.

A favorable loss ratio was given as the reason for this "10%" cut.

Reductions are not extended to dwellings on which reductions were made last year, nor to fire-resistive risks, woodworking risks or sprinklered risks.

In another clause the Underwriters add:

"Risks formerly eligible for a three-year term at two and a half times the annual premium will now be three times the annual premium less 10% for a three-year term."

Cities affected include: Vancouver Victoria, New Westminster, Nanaimo, Oak Bay, Nelson, Powell River, Fernie, Ocean Falls, Kamloops, Kelowna and Vernon

St. Clair Grain Plans 50 Silos at Chatham

St. Clair Grain & Feeds Ltd., Chatham, Ont., President Harold E. Webster, announces it will spend about $300,000 on construction of 50 silos as a plant extension. New silos will hold 10,000 bushels each of wheat, corn, soybeans or other grains.

What Losses Through Bad Debts?

How The Ratio Stacks Up For Various Retail Trades

How are bad debt losses in your store? Are you being careful enough in granting credit, forceful enough in collections? To help retail store owners and managers check the performance in their store against the average in the trade, The Financial Post presents another in the series analyzing latest available returns in Canadian business.

By HARLEY POTTER

"Soft-hearted John" is a flinty old cuss in the funny papers who has all the rural residents at his mercy as he exacts every penny on debts they ran up at his store last time that most improbable of staple crops, turnips, failed.

But statistics reveal his real-life counterpart — the country general store proprietor — as more genuinely "soft-hearted" to his own financial detriment. He lets his customers run up relatively large amounts in bills he can never manage to collect.

This, other sidelights and main outlines of bad debt write-off and collection experience appear from the latest Dominion Bureau of Statistics study on retail operating results. The data throw into relief important facts about credit results.

The country general store figures illustrate an interesting principle in retailing. Here's what they look like:

	Average Net Bad Debt Loss (% of Sales)
Owned Stores	
Annual sales	
Under $10,000	.30
$10,000-$20,000	.26
$20,000-$50,000	.18
$50,000-$100,000	.19
Over $100,000	.38
Rented Stores	
Annual Sales	
$10,000-$20,000	.10
$20,000-$50,000	.05
$50,000-$100,000	.15
Over $100,000	.16

Note the difference between owned stores and rented ones, how much bigger are the proportionate losses for owned stores.

The probable explanation is that country general merchants (a class including many small town operators) become very much part of the community in cases where they own their own stores. They feel obliged to give more credit than less-settled renting storekeepers, and their neighbor-customers ask more of them, perhaps impose more on them. No other trade in the latest figures shows this marked owned-rented disparity; but filling stations, shoe stores, incorporated fuel businesses and small sales classes in some other trades show a narrower one.

The net bad debt loss equals bad debts written off minus amount recovered. For instance, renting general stores, in the largest (over $100,000) sales class actually wrote off .35% of net sales as bad debts (the only rented store class write-off bigger than the lowest owned store write-off percentage). But they made up for this by getting back .19% to cut the net bad debt loss to .16%. This may mean risks were better chosen in the first place, but it may also mean you can get tougher with debtors when your relation to the rural community is less close.

How do actual bad debt loss rates stack up among different sizes of store in the same business?

No general principle can be found in the hundreds of firms covered by the DBS sample survey. But some trades do show definite size-debt loss relations.

For instance, family clothing stores:

Annual Sales Per Store	Aver. Net Bad Debt Loss (% of Sales)
$50,000-$100,000	.09
$100,000-$100,000	.29
$200,000-$300,000	.48
Over $400,000	.59

Here bad debt losses quite plainly rise with bigger sales. Maybe many larger stores attain volume by granting more credit, thus getting bigger credit losses too. In some other groups, net bad debt losses are markedly lower with larger sales. The family clothing group just shown has no very small stores. The over-all study shows a marked tendency for the smallest sales classes to have the greatest or second greatest net bad debt losses — as percentage of sales — even where larger stores show losses growing with larger sales. (Sales, of course, are net: returned goods and discounts deducted).

The table below shows net bad debt losses for the average incorporated store in different trades, calculated by the Financial Post from data for different sizes of store. These figures though interesting to compare with your own store's performance in the year of the survey (1948) are likely materially different now. They are possibly higher. The year of survey was a relatively good one and losses were not high. Prewar losses were twice as high in some cases.

All stores listed here are independents (non-chain).

	Bad Debts Written Off	Amount Recovered	Net Bad Debt Loss
	(% of Total Sales)		
Family Clothing	.55	.20	.35
Hardware (owned)	.33	.03	.30
Jewelry	.21	.01	.20
Hardware (rented)	.20	..	.20
Women's Ready-to-wear	.17	..	.17
Men's Clothing	.21	.06	.15
Fuel (Rented)	.13	..	.13
Drugs	.10	..	.10
Fuel (Owned)	.08	..	.08
Family Shoes	.04	..	.04

The following figures are for unincorporated stores in other trades:

	Bad Debts Written Off	Amount Recovered	Net Bad Debt Loss
	(% of Total Sales)		
Furniture	.34	..	.34
Appliance & Radio	.23	..	.23
Groceries	.15	.01	.14
Comb. Meat & Groceries	.14	.02	.12
Filling Stations	.10	..	.10

Agreement on Nuts, Bolts To Speed Allied War Work

OTTAWA (Staff) — Britain, United States and Canada have moved an important step forward in recent weeks through tentative agreement on unified standards for bolts and nuts used by the three countries.

Agreement in principle came during a meeting last month in New York at which the British, in effect, agreed to accept as unified standards, dimensions chosen from existing U. S. forms subject to certain modifications.

This adds another sector to the original agreement on unified screw threads which has been the prime subject of ABC discussion over the past few years. Other areas in which the three countries are slowly hammering out agreement include: drawing office practice; and what's called "limits and fits" for items like steel castings used in engineering and manufacturing.

The New York meeting virtually set the stage for unification of all bolt and nut dimensions for use in war. It's now up to industry or the various controlling organizations in each country to make the application of the new standards industrially.

As usual, the American automobile industry showed considerable sensitiveness in any changes affecting them. (This industry has been one of the most difficult to handle in respect to screw threads). But once the main concession was made by the British in accepting certain U. S. dimensions, the discussion has been largely upon detail rather than a matter of principle.

It was decided apparently at New York to leave the aircraft industry to one side at the moment because of the special situation in which it now is respecting widely differing standards.

The important benefit to Canada is that in the past, this country has had to maintain duplicate stocks to service both U. S. and U. K. types. In future, assuming the agreements are ratified by the respective sponsoring organizations, there will be only one standard stock of nuts and bolts required, except for existing lines.

Included in the agreement of last month was such matters as: length of bolt heads and nuts; length of threaded portion of the bolt.

There has been no discussion or agreement as yet on small thread bolts and nuts.

Sell $7 Millions Ottawa Bonds

A new issue of $7 million City of Ottawa debentures has been sold to a large syndicate headed by Dominion Securities Corp. and including A. E. Ames & Co., Wood, Gundy & Co., Bank of Nova Scotia and R. A. Daly Co. Price paid was $100.156 or a cost to the city of 2.92%.

Proceeds are for the purchase of the electrical assets in Ontario and the head office building of the Ottawa Light, Heat & Power Co.

The issue consists of $1,400,000 2½% 1-5-year serial bonds; $1,593,000 2¾% 6-10-year serial bonds and $4,007,000 3% 11-21-year serial bonds. The 11-15-year maturities are being offered at $100.50 to yield 2.95% and the 16-21-year maturities at par to yield 3.00%. Balance of the maturities are being sold privately.

CANADIAN LOCOMOTIVE CO. granted the option to Canadian Fairbanks-Morse Co. on 20,000 shares at $27 per share and 70,404 shares at $30 per share, exercisable within five years with provision that if option on 30,000 shares has been exercised, extension of five years to be granted on remaining 60,404 shares.

ASBESTOS - DANVILLE - SHIPTON, Que., Protestant school commission has sold $198,500 2¾% bonds due July 2, 1951-55 and $64,500 3½% due 1956-65 to Dudley Dawson Ltd., Canadian Bank of Commerce, McNeil, Mantha Inc. and Crédit Interprovincial Ltée. for 97.55 and net cost of 3.673%. Provincial grant of $208,000 payable 1951-55. Proceeds for construction of composite high school. Protestant population 1,643.

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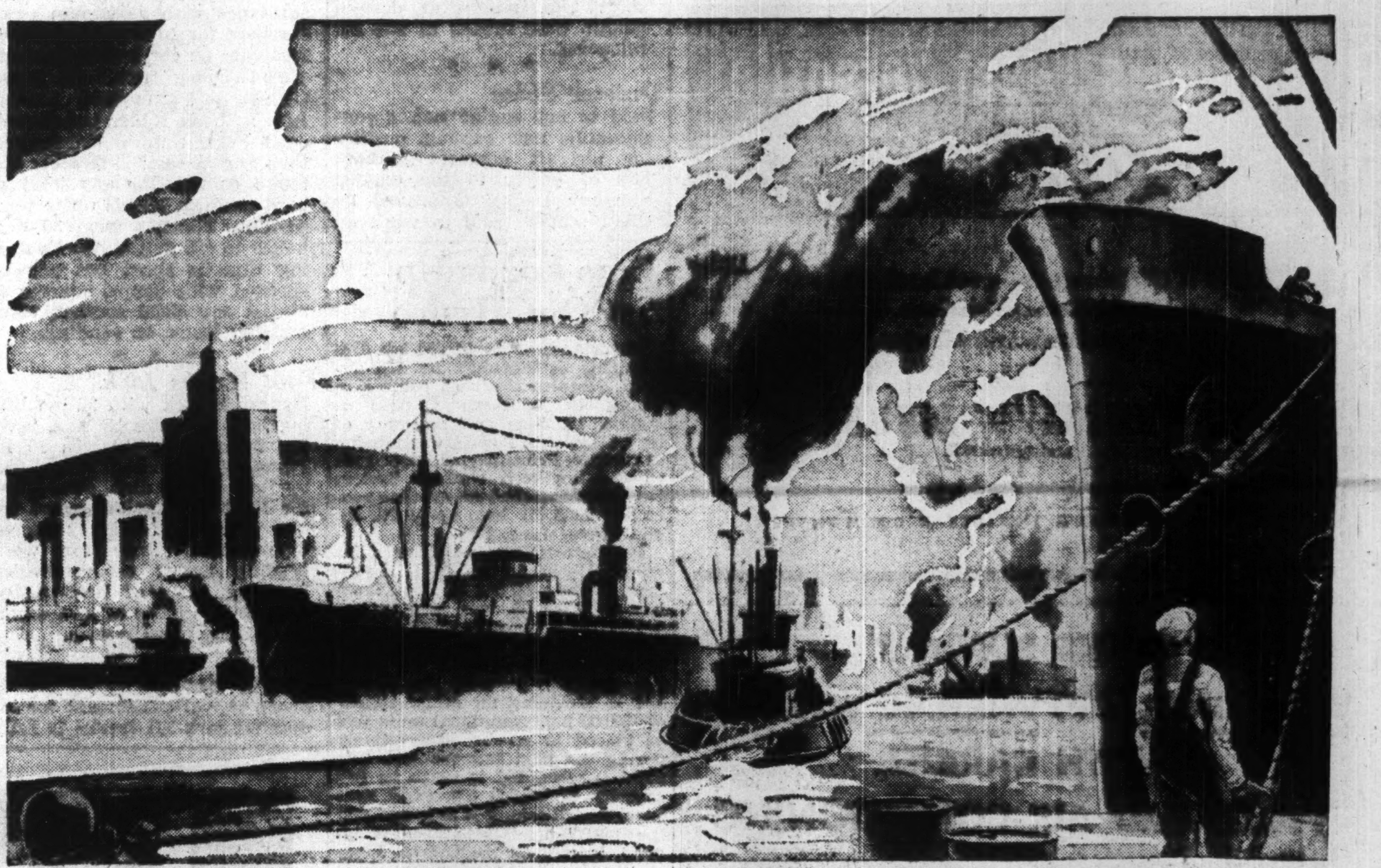

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Sweets For Diebetics

Synthetic sweetening agent known as Sucaryl is claimed to sweeten food without adding forbidden calories or carbohydrates to the diet. Unlike saccharin, Sucaryl is said to have no bitter after-taste, and can be used in cooking, baking or canning, manufacturer claims. Available at drugstores without prescriptions, a precautionary limit of eight tablets per day is recommended. Tablet grooved for easy separation; each eight-gram tablet equivalent to one teaspoon.

* * *

Child's Play

German manufacturer is now exporting a watch he claims can be put together by a child. It is called "Constructa-Clock," an educational toy designed for children over 12 years of age.

* * *

Garcon!

No need to worry about your French—a plastic gadget now summons a waiter for you. Placed on diner's table, with the touch of a button an arm flies up as a signal for service. The base of the gadget is an ashtray, the upper portion contains a disc for advertising or display card insertions.

GORDON G. DEWAR

has been appointed treasurer, Ford Motor Co. of Canada Ltd.

* * *

Talking of Light

An ultra-sensitive lightmeter has been developed to aid lighting specialists, safety officials and law officers, in taking critical readings of very low light intensities. Meter consists of two units—detectors and indicator connected by a 10-ft. lead—is portable and does not require a trained technician to read. The instrument is calibrated to take readings from 0 to 1 footcandle and from 0 to 5 footcandles, maker says.

* * *

Saves Tape

Scotch tape dispenser saves time, tape, says maker. Plastic case fits in hand, fixes tape to surface without use of fingers, snips tape neatly at desired length. Case breaks in two for reloading.

* * *

Quieter Skies

Said to cut engine noises considerably, new exhaust muffler for aircraft operates without loss of power to the engine, company claims. Approved by CAA, muffler said to work on commonly used planes such as Howards, Twin-Beach executive aircraft, etc.

Will come in sizes for smaller and larger planes. Construction of muffler is simple. Of stainless steel wool blanketing, it fits onto the regular exhaust pipe of the engine. Summer cottagers would probably welcome a similar device for outboard motors.

* * *

Fogger-Sprayer

New U. S. anti-insect fogging and spraying apparatus, "Vaposector - Mistorizer," insecticide will control flying insects in 1,000 cu. ft. space with only one ounce, is claim; two oz. to handle crawling insects.

* * *

Engine Cools Milk

New truck body manufactured in U. S. uses truck motor to refrigerate milk at constant 40 deg. F. Refrigerating unit is located under hood.

* * *

Dries Bank Vaults

New dehumidifier is specially designed for small establishments, compact, semi-portable, works on refrigeration principle, removing 18 pints or more from air each 24 hours; prevents rot, dust, mildew, says maker.

Priced at about $150 retail in U. S. Recommended by maker for bank vaults, to protect leather, fabrics, fermentation of food stocks, for guarding moisture-absorbing materials.

* * *

Resists Salt Air

Another new car shine in U. S. is said to give lustre lasting six months, protecting from water, salt air, heat, corrosion, said easy to apply. "Mirrex-5" will sell for about 94c in U. S.

* * *

Fills Fender Dents

New "3-M Filler" in pastelike substance with aluminum powder base for filling dents, holes, scratches on car bodies, fenders, replacing rusted-out areas. Claims of Minnesota maker: Acts as body solder but doesn't need heat, tinning compounds, thus saving cost; is flexible but tough enough for any kind of hard sanding, stands up to temperature changes from 30 deg. below to 425 deg. above F., drying time is short but can be speeded with lamps, adheres to almost any clean surface, takes metallic lustre on sanding.

* * *

Foot Works Jack

Hydraulic jack with 20-ton lifting force operates by foot, leaving hands free. Weighs 10 lb. Pumping, releasing operations, by foot control also. Fast speed for light work, slow speed for heavy work. Auxiliary ⅜ in. pipe-threaded hole for work needing larger oil reservoirs. Working parts of heat-treated steel, bulky parts of cast aluminum alloy, says maker.

* * *

Loader Scoop

Scoop shovel attachment for industrial fork-lift trucks is fully hydraulic throughout load pick-up, tilting back for carrying, dumping and returning to scoop position, says Michigan firm. Said to give speedier operation, absorb shocks, eliminate costly cover, handle scrap steel, small stampings and casings, sand, gravel, stoker coal, fertilizer, wet mixed concrete, etc., that won't go through 2½ in screen. Said easy to install, detach, interchangeable with standard forks, the attachments. Widths, 38 in. to 72 in., capacities, 8 cu. ft. to 15 cu. ft.

June Loads Up For Ont. Hydro

Importance of its 480,000 h.p. Des Joachims development on the Ottawa River to electrical consumers throughout Southern Ontario is stressed by June load summary of Hydro-Electric Power Commission of Ontario. Primary power demands on the Southern Ontario System last month reached an all-time record of 2,017,201 kw., up 10.4% increase over June, 1949.

Despite this increased demand for power, Chairman Robert H. Saunders, at the opening of Des Joachims on June 28, was able to announce the suspending of all restrictions on lighting and space-heating in the southern area of the province primarily because Des Joachims is providing an initial supply of 120,000 h.p. Additional units will be placed in service progressively during the next few months. The plant is scheduled to reach its full capacity of 480,000 h.p. early next year. In addition, it is expected that the 160,000-h.p. Chenaux development, located on the Ottawa River about 75 miles downstream from Des Joachims, will also be in service, with initial deliveries this December.

In the Thunder Bay System there was a primary power demand in June of 168,233 kw., up 8.6% over June, 1949. The new 80,000 h.p. Pine Portage generating station on the Nipigon River, opened on June 21, is helping to meet the increasing electrical demand in this Lakehead district.

In the Northern Ontario Properties, which the Commission controls and operates on behalf of the Provincial Government, the increase in primary power demand this June over last was 13.6%, at 229,721 kw. Additional power supplies to meet the increasing demands of this thriving district are now available from the 56,500 h p Tunnel Generating Station on the Mississagi River, opened June 14.

	Max. 20-min. peak. kw. June 1950	June 1949	% Incr.
Primary Demands: (Actual Loads Plus Cuts)			
South. Ont. ...	2,017,201	1,827,530	+10.4
Thunder Bay .	168,233	154,924	+8.6
Nor. Ont. Prop.	229,721	202,300	+13.6
Total Generated & Purchased:			
South. Ont. ...	1,867,806	1,737,485	+7.5
Thunder Bay .	168,433	168,424	+.0
Nor. Ont. Prop.	237,341	242,040	−1.9

Toronto's Subway Issue Sold in U.S.

City of Toronto has sold a new issue of $15 millions debentures, payable in U. S. dollars only, privately in the United States through a syndicate headed by Dominion Securities Corp. and Harriman, Ripley & Co. Proceeds are to provide funds for construction of Toronto's subway.

Cost to the city of the issue was 2.84%, considerably less than the rate which could be obtained in the Canadian market. (One Toronto investment dealer estimates the city would have had to pay a 3.00%-3.05% basis if the bonds had been sold in Canada.)

The issue matures $550,000 a year from July 1, 1954 to 1965 and $560,000 a year from July 1, 1966 to 1980. Coupon rate is 2¼% for the 1954-57 maturities, 2½% for 1958-61 maturities 2⅝% for 1962-69 maturities and 2¾% for the remaining maturities. Offering prices range from a 2.35% basis to a 2.85% basis depending on maturity.

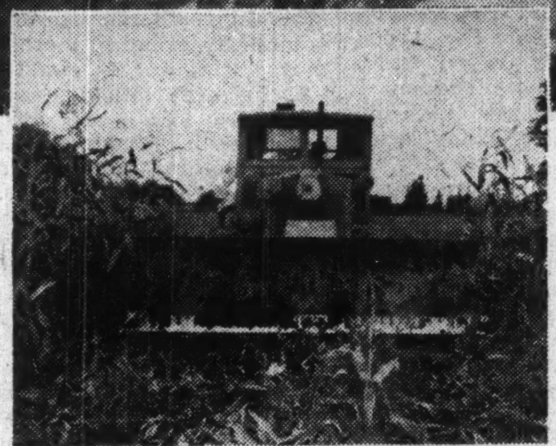
ST. LAWRENCE CORP. had 144,098 second preferred shares outstanding at July 20.

ST. LAWRENCE PAPER MILLS had 59,126 second preferred shares outstanding at July 20.

ANOTHER CONSTRUCTION RECORD

GENERAL MOTORS DIESEL LIMITED LONDON FACTORY

On time again!



BREAKING GROUND SEPT. 22nd, 1949 — Ground was first broken on September 22nd, 1949, for the foundation contract. On October 19th the general contract awarded to Frid Construction Company called for occupation of the office by May 15th. The office building was occupied April 22nd and the first machine was operating in the factory May 20th. This record was made in spite of unusually difficult conditions due to an unsettled winter.

IF ASSURANCE of the world's faith in the future of this country is needed, the opening of this large General Motors Diesel locomotive factory provides further evidence. Its contribution to the progress of Canadian transportation will be important.

It is fitting that we of the Frid organization should express publicly our satisfaction that we were enabled to share in this achievement, and our thanks to trade contractors, suppliers of materials and all who helped us to set another construction record.

We are confident that the future will amply justify this proof of General Motors' faith in Canada.

Frid HAMILTON · ONTARIO

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INRIG ROOFING AND SHEET METAL CO. LIMITED — Roofing and sheet metal work,
CANADA CREOSOTING COMPANY LIMITED — Wood block floors,
GEARD BROTHERS — Queenstone Limestone,
WESTEEL PRODUCTS LIMITED — Hollow metal doors and toilet partitions,
BENNETT AND WRIGHT LIMITED — Automatic Sprinkler work,
TRUSCON STEEL COMPANY OF CANADA, LIMITED — Industrial steel and electrically operated vertical lift doors,
CANADIAN JOHNS-MANVILLE LIMITED — Sanacoustic ceilings,
ATLAS ASBESTOS COMPANY LIMITED — Corrugated wall siding,
HOBBS GLASS LIMITED — Glass and glazing,
EBERHARD AND WALKER LIMITED — Miscellaneous Iron,
KENT TILE AND MARBLE CO., LIMITED — Terrazzo and mastic tile work,
HOBBS HARDWARE CO. LIMITED — Finished hardware,
RICHARDS-WILCOX CANADIAN CO. LTD. — Fyer-Ward doors,

Inter. Hydro-Electric To Pay Off Debentures

International Hydro-Electric System has called for payment of the balance of the principal and interest on Aug. 1, 1950, its 6% debentures due April 1, 1944. Payment will consist of $600 of unpaid principal plus interest of $12.

Funds for this purpose were obtained from the sale last month of 340,000 common shares of Gatineau Power Co., from treasury cash and from a secured bank loan for $9,500,000, B. A. Brickley, trustee of the System said.

Around the Home ...

TOM GARD'S NOTE BOOK

It seems as if most people have a struggle to furnish their first home. We visited newlyweds last weekend and it was almost like reliving our own first few months! They will succeed, though, as first things had been put first and improvisation took care of the rest. One of their best "makeshifts" was a hall table. His parents had modernized an old sideboard by removing the top section—mirror and all. The top shelf and two supports had been left intact; a third leg was placed in the centre at the back and then braces run to the other two legs. It made an ideal hall table for the telephone and hadn't cost a cent. Even the mirror had been resilvered, etched and mounted on half-inch plywood, making an inexpensive hall mirror.

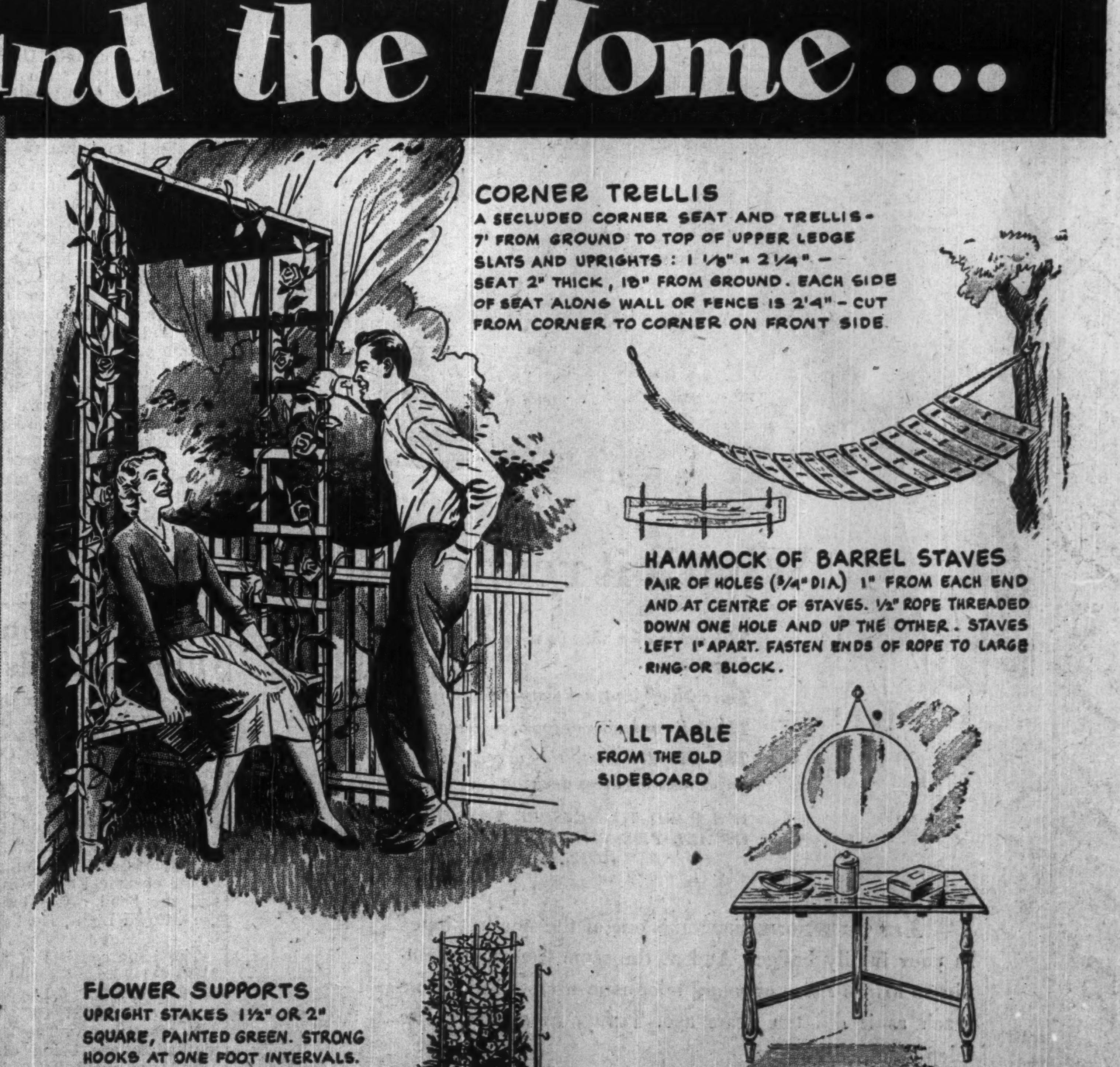
Barrel-Stave Hammock

If you would like a hammock to hang under your favourite tree but must pamper a limited budget, try the idea developed by a neighbour down the street. Holes were bored in old barrel staves and then threaded with half-inch rope. You'll see how it was done by examining the diagram shown. A heavy blanket or old sleeping bag will make the hammock quite comfortable.

Corner Garden Seat

If you wish a garden trellis in a half-pint backyard, don't stick it out in the centre of the lawn like a sore thumb. Arbours and gateways should lead somewhere; high trellises should terminate some line of vision. One of the best ideas I have seen for a small garden combined the trellis with a corner garden seat. It was most attractive and a solid mass of blue morning glories when I last saw it.

I notice some of my perennials are beginning to fall over. In case you haven't suitable flower supports for your garden, here is the type I have been using for years. They are easy to apply and just as easy to store away in the fall.



More about these and many other ideas in the booklet "AROUND THE HOME". Write for your copy to Tom Gard, c/o MOLSON'S (Ontario) LIMITED, P.O. Box 490, Adelaide St. Station, Toronto.

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The Financial Post

Vol. XLIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 12, 1950 | Fifteen Cents an Issue, Six Dollars a Year | No. 32

How Ready Are We In Home Defense?

Cities in Confusion, Wait On Ottawa Blueprint

If an air raid should strike at your city, how would you go about protecting yourself, your property? Where would you turn for help? What would be your part in civil defense? What are the plans for civil defense in your community?

Chances are these questions bring something of a shudder to some who, in the early days of the last war, regarded Canadian civil defense goings on as comic opera.

Chances are, too, that serious thought of "next-time" potentialities brings the answer that you haven't the faintest idea where you stand in civil defense.

For while there's been a lot of talk and some planning in major cities across the country there's been precious little that can be described as active preparation — or mobilization — and less public enlightenment on a potential danger that looms a lot more real for Canadians in any future war than it did last time.

Yet civil defense, in the over-all preparedness picture, ranks as high as any aspect of military defense. And since civil defense is essentially self-help and self-defense and, to be truly effective, has to get right down to the individual or community level, it would seem there's a great deal of work yet to be done before it can be truly said that our major cities, strategic centres have taken the essential steps first.

That's what The Post finds in a check of a dozen major centres. Even in Toronto, where more planning in greater detail has been done than in any other major city the plan remains but a plan with few, if any, knowing the part laid down for them. Elsewhere the picture shows everything from some planning to an expression of pious hope that "it won't happen here" or "don't let's get the citizens alarmed." And everybody waits on Ottawa or its provincial government for instruction.

And there's the key. Ideas, planning have bogged down through failure to answer the vital question: "Who's going to do what?" And when it comes to passing the civil defense buck in this federal community of ours the question gets about as involved and delicate as any single phase of federal-provincial relations.

At least it has until now.

Korea, the Spark

Korea is probably the spark we've needed to force us to speed civil defense and get something tangible under way. And mayors who attended a recent civil defense conference in Seattle, Wash., where they heard advisers from London, Washington and Ottawa evaluate the effects of a mock atomic raid on Seattle and discuss civil defense aspects from many other angles came back with plenty to shake whatever complacency they may have had.

For one thing, they heard British experts warn that everything pointed to U. S. and Canadian midwest industrial centres and midwest ports getting it before Britain in any next time.

And almost to a man they look now for quick direction and leadership from Ottawa through their provincial governments.

What then is in prospect? What has been done? What is being done and remains to be done?

Experience in other democratic countries has shown clearly that for each individual community to try to work out its own civil defense problems is doing things the hard way; there has to be direction from the top.

For the past 20 months there has been a Co-ordinator of Civil Defense at Ottawa, Major-General F. F. Worthington, an old soldier and administrator who added to his war laurels by doing a first-class job of looking after the Fraser Valley flood disaster of a few years back.

But so far the total budget of this administration has been little more than $100,000 a year. That's been enough to get a small nucleus of experts together. It has enabled Co-ordinator Worthington to visit every province interviewing provincial premiers and officials. The general has also visited United States and Britain.

The general has now returned from U. K. where he has been talking civil defense at all levels, has taken a course at Britain's first permanent civil defense college. He says he's coming back "bursting with ideas," is convinced governments should be a little more frank and let the people know "what the score is" on civil defense.

His aide, Lt.-Col. J. W. McCallum, meanwhile has been at the Seattle conference and following the general's return it is expected that finishing touches will be put to federal planning — planning expected to prepare the way for a federal-provincial conference in the near future.

Part of the plan calls for a civilian training school for civil defense at Camp Borden to be started some time next month. There are also pamphlets dealing with atomic, bacteriological and chemical warfare going through the mill at Ottawa for distribution shortly.

Disaster Organization

Since his appointment, General Worthington has made scores of speeches on civil defense. He has pointed out that the proper perspective is to consider it as a "disaster organization" with three purposes: to relieve distress, minimize property loss and restore life to normalcy.

Since the worst disaster that could befall a community at the hands of an aggressor is an "A" bomb or an "H" bomb, most talk and thinking nowadays centre on this possibility. It's assumed that if a community could guard against this type of attack it could handle almost any other type of emergency that might arise.

How go about creating such an organization?

General Worthington discards for Canada the idea that this can be done by "a highly centralized organization with legal authority to order, command and dictate to all other branches of government and all of the people."

Instead he argues the need in Canada for "a civil defense organization which embraces each level of civil government and utilizes all existing agencies that are national in character throughout the land, and in addition to this develop the principles of self-help, mutual aid and co-operation."

It's admitted that the latter type of organization is less positive than the first; that it takes much longer to develop and that it is dependent to a great extent on willingness of various agencies and the people themselves to co-operate and accept their individual responsibilities.

Before Korea there was some question as to how much the rank and file of citizens felt the need of a national civil defense organization. Opinions varied. Certainly there was strong local feeling in various parts of Canada and periodic discussion in Parliament.

But no one seemed very upset that Canada was spending only $100,000 a year on this problem — about as much as it spends each year out of the national defense vote for erection of headstones and battlefield memorials.

As well, there was the controversial point whether it was wise to set up an organization prematurely. The argument here was that to train and interest local citizens, unless there was a real need for their services, would run the risk of the whole effort going sour.

But now it's being realized that before any local or voluntary effort can get started, there has to be a highly trained nucleus of experts — plus a wide dissemination of technical information and literature by some agency — federal, provincial or municipal.

Firefighting Problem

One of the first things General Worthington discovered was that most Canadian municipalities were hamstrung in event of an atomic raid, because they lacked standardized couplings for fire hose. The firemen of one community often can't use their equipment to help a nearby community.

It's believed that this key problem — the first lesson Britain learned in the Blitz of 1940 — could be solved for a total expenditure throughout the entire country of something less than $4 millions.

Such a figure might have been hard to squeeze out of a national defense appropriation of $425 millions, which was the ceiling prior to Korea.

It shouldn't be hard to find now that the Government has speeded up 1950-51 spending.

That's unless there's still going to be a lot of bowing and scraping at the federal-provincial level; one government refusing to take any action or spend any money until it's sure where it stands with the other legislative authorities.

For Ontario, Premier Frost has offered all-out co-operation in federal civil defense planning. On the fire question he points to legislation setting up grants to encourage standardization of hose couplings. Over-all he has announced that Provincial Secretary Arthur Welsh will represent the province at the fall conference with the federal government with power to place at the disposal of the federal defense planners the services of provincial police and fire forces, labor and health departments.

The British Columbia government likewise says it is working actively with federal officials on civil defense planning.

The U. K. Lesson

Everybody, meanwhile, including U. S., is looking to U. K. for the how-to-do-it.

For Britain is rated as the country most advanced in its preparations for civil defense. Writing recently in Collier's, Associate Editor John Lear tells how British experience can be used to give an emphatic "Yes" to the query: "Can anything be done about atomic attack?" Mr. Lear was the first American to attend Britain's Home Office Civil Defense School, "the only institution of its kind on earth." He says this:

"1. From their own and German experience with incendiaries, high-explosive block-busters, fly bombs and rockets in World War II—plus what they know to have happened in Hiroshima and Nagasaki — the British believe it is possible to prevent 75% or more of the death, injury and horror the A-bombs wrought in Japan.

"2. To do this they do not consider it necessary to set up a 'garrison state' or any other type of dictatorship.

"3. Nor do they think we need tear our cities apart overnight, scatter the pieces and bury them in caves.

"4. The simple essentials they prescribe—and for these they offer no substitutes—are a dependable warning signal of enemy approach, properly constructed shelters to house people during attack, and an understanding by everyone that the only promising chance of survival lies in heading for shelter at the first note of warning."

And here's another punch line from the Lear study:

"According to the British scale of military values, there are only 25 vital areas in Great Britain today worth the expenditure of an A-bomb. None of them will be attacked, Britons reason, until after attempts have been made to knock out the eastern ports of the United States and perhaps midwestern industrial centres between the Canadian border and the Ohio River."

The British Plans

What has Britain done?

The short answer is that Britain has never stopped thinking in terms of civil defense since her organization first got going in 1939.

As a result she is in a good state of preparedness. Today active recruitment is going on again. As at June 30 the civil defense force in U. K. totaled 22,188 men and 9,621 women with recruitment running at 2,300 a month. It's estimated that at least six million men and women of Britain's 50 million population would be eligible to join an all-out civil defense force.

The call in Britain is currently going out for four types of recruits:

1. Men and women over 30 to train for rescue, ambulance, pioneer, communications, warden and welfare work.
2. Men over 30 and women over 18 for auxiliary fire service.
3. Women between 17½ and 60 and men between 30 and 60 for hospital reserve service, trained or untrained in nursing.
4. Men and women over 30 for special constabulary.

What's Needed Here

Canada, in the British view more vulnerable to atomic attack than Britain herself, by comparison hasn't yet gone into action. What's required, according to the experts, can be summed up in three sentences:

1. An estimate as to ultimate defense needs and necessary degree of readiness.
2. A survey of the availability of resources and an estimate as to how far these resources meet the ultimate need.
3. A plan which will bridge the gap between the ultimate need and the resources available.

Government authorities claim there is such a plan but so far it has been kept on the shelf, hasn't been aired except with provincial authorities.

What Should Be Aims in Civil Defense?

What should a civil defense plan for vulnerable areas cover? Here are the main services required, says General Worthington, to minimize the effect of a bomb attack:

PERSONNEL

Medical, nursing, ambulance and hospital services capable of handling several thousands of people.

Rescue services and first-aid services to get victims out of the ruins.

Warden services to control damage, refugees, blackout, public air-raid warnings, general reconnaissance and special reconnaissance, and basic first aid.

Welfare services to feed and care for the homeless and those whose homes have been damaged; to feed the Civil Defense workers in the disaster zones.

Police services to maintain order and control panic.

FIRE

A strong fire service to combat the great fires and prevent additional destruction.

RESTORATION

An engineer service to help in the fire battle, restore communications and public utilities.

TRANSPORT

A transportation service integrated with the other services for obvious reasons.

Rehearsal . . .

Vancouver ARP workers 'on manoeuvres'

The Real Thing . . .

Blitzes of 1940-41 saw British ARP Service in non-stop action

The Problem as Seen in 12 Major Centres

What's been done at the community level in civil defense? What cities have plans and what are they? Here's what The Post learns from its correspondents in principal centres, what mayors told Civic Administration (Maclean-Hunter) in replies to a questionnaire by that magazine:

These Cities Have Definite Plans

TORONTO started work on a plan 18 months ago, called in suburban municipalities to organize a Toronto and York Committee on National Defense. From conferences with industry, social services, public utilities, service and civic organizations, churches, fire and police departments emerged a detailed plan now filed with Ottawa.

No details are being released until Ottawa gives the okay. It provides for measures to protect life and property, including, among many others, auxiliary fire-fighting services, air-raid warden services, medical services, protection of public utilities. Selection of personnel to put this plan in operation, says Mayor Hiram E. McCallum, can be made quickly upon receiving direction from the federal or provincial government with an indication as to the relative responsibilities of the three levels of government.

* * *

VANCOUVER plans a mock atomic raid "bigger and better than Seattle's" to test its civil defense plans in which there has been a big awakening of interest following the Seattle conference. At the same time local officials are awaiting definite moves from Ottawa. For B. C. as a whole a provincial defense committee has been formed under Education Minister Straith and comprising the deputy ministers of health and public works, the deputy provincial secretary, R. A. Pennington, and executive assistant to the Premier, Percy G. Richards. The organization which would be set up would use men in key positions who can prepare skeleton staffs should an emergency arise.

In the last war the civilian defense committee was under the Premier's office and acted from a specially constructed and practically bombproof nerve centre at Burrard Street, which has since had windows chiseled through its thick walls and is now occupied by an insurance office and motor car firm.

This headquarters was the centre of a civil defense system that stretched out into every section of the province. Through it were distributed gas masks, pumps, tin hats, stretchers, first-aid equipment and the other paraphernalia. It also controlled an air-raid system linked with the military, and issued orders on blackouts and other measures. In terms of cost and of civilian protection this elaborate system has never been analyzed.

Nucleus of this organization is still there with trained wardens, first-aid workers, and even some of the equipment, including air-raid sirens and pumps at present stored away.

How much of it will be used and how good any of the previous precautions will be in an atom war has not yet been assessed publicly, but it is thought that the methods will have to be a lot different now. No open planning at all has been given to industry.

* * *

These Have Plans Under Discussion

WINNIPEG's plan will likely be that which was drawn up for use if the recent floods had reached the stage of forcing evacuation of the Greater Winnipeg area. Modeled on plans drawn up for evacuation and protection of south of England cities in the last war it has had unofficial approval from General Worthington. Over and above this Education Minister C. Rhodes Smith has been named Manitoba's "Civil Defense" Minister for the fall conferences with federal authorities.

The flood emergency plan called for the army to take over completely with each of nine zones under an army officer to establish effective control more quickly. Civilian committee chairmen were named to provide advice, continuity and liaison in connection with food supplies, general stores, gasoline and oil, depots and distribution, depots and manpower, evacuation control, emergency shelter, policing and fire, engineer services, medical services, trucking pools, communications, and public information.

Extraordinary powers were to be taken either through order-in-council or emergency legislation, all to be vested in the G.O.C., Prairie Command. He was to have power to delegate authority to officers and civilians.

Powers would cover authority to requisition public and private buildings for storage depots, evacuation shelters, headquarters installations, or any other purposes; to requisition equipment and supplies; to commandeer or requisition public service or private motor vehicles; to compel men and women to serve anywhere in the Greater Winnipeg area; to billet in private homes or institutions personnel retained in the Greater Winnipeg area; for detention of undesirables, for clearing highways; for compulsory evacuation of persons from premises within areas ordered evacuated; appointment of special constables; to require doctors and nurses to serve under designated authorities; and to trespass on private property.

This is radically different from civil defense measures in the last war, which were undertaken then largely on a volunteer basis. It served to get under one authority a grist of local groups who in the days of crisis thought they should be doing something. Its benefits, many as they were, were more psychological than military. Organization was undertaken locally under direction of the Manitoba Government.

* * *

HAMILTON, according to its mayor, L. D. Jackson, "refuses to be stampeded into any bombproof shelter type of hysteria," but has set up a committee of eight "expert" citizens representing most phases of civil defense to take over any program submitted by federal authorities. Vital services covered are: medical, fire, public utilities, transport, welfare and communications.

* * *

SAULT STE MARIE, says Mayor C. Herbert Smale, is going forward with "preliminary plans for quickly setting up an operating organization to meet the problems that foresight might suggest could quickly become of serious importance, such as evacuation, dealing with casualties," but looks to federal and provincial authorities for prompt guidance.

* * *

WINDSOR has taken some steps to formulate a plan but, says Mayor Arthur J. Reaume, "we are currently working in the dark since we don't know what we may be called upon to defend ourselves against. In the last war we made plans too late—in the interests of genuine precaution should not the federal, provincial and municipal authorities meet and lay plans which will mesh in a general nation-wide program?"

* * *

NIAGARA FALLS has an executive committee organized to co-ordinate all services that might be required in a national emergency. Committee includes reeves of adjoining Stamford and Chippawa, keymen in hydro, health, police and fire services. Close liaison will be maintained with American authorities.

* * *

VICTORIA is ready to co-operate with plans of the B. C. Government. Mayor Percy E. George puts it this way: "Now is the time to give very serious thought to details and plans for creation of an organization by the senior government. I wholeheartedly subscribe to the plan of having civil defense in its broad general lines formulated and instituted by the federal and provincial governments with their technical advice and direction, leaving the basic problems peculiar to local conditions to be worked out by individual municipalities. I am sure direction and leadership from senior governments will shortly be forthcoming."

* * *

These Have No Plans

MONTREAL has no plans as yet. Mayor Camillien Houde says the city is "fully alert to the situation but awaits direction from superior governments." Civil defense, it's generally considered in Montreal, should be a provincial matter. In the last war it was headed up by a provincial director with a provincial alarm system linked to the RCAF. Each municipality had its own protection organization under the provincial scheme. In Montreal the warden service had two main parts, one under the police department, the other under the fire department. The health department was in charge of health, evacuation, hospitals, ambulances, Red Cross, etc. Wardens were given first-aid training, fire-fighting instruction. Some equipment was provided, including uniforms, stirrup pumps. Funds were provided by federal and provincial governments and city with Montreal's annual contribution about $25,000.

* * *

HALIFAX waits on higher authorities. Says Mayor Gordon S. Kinley: "No doubt previous experience in Halifax may be of some value, but until such time as higher authorities present their views I cannot comment on any plan submitted."

* * *

EDMONTON has taken no action, awaits instructions from provincial or federal authority, says Mayor S. Parsons.

* * *

QUEBEC CITY has no plans. Says Mayor Lucien Borne: "I think everything should be done to avoid creating any impression we are on the verge of a third world war and that our people are becoming panicky. During the last war our civil defense was very successfully organized and I have no doubt the same would be done if need be—which I hope will be spared us."

How Reds Would Trick You on 'Peace'

Here's Their Latest Dodge – They Claim Support of 100,000

By RONALD WILLIAMS

If a pretty girl stops you on the street tomorrow and asks you to sign a petition for Peace, what will you do?

Mary Claire is a pretty girl. She's also a Communist, being a member of the National Federation of Labor Youth, the junior branch of the LPP.

She may be found at the corner of Spadina and College Streets in Toronto. There with her winsome personal appeal, she has talked 1,500 Canadians into signing the phony Communist "peace" appeal. That makes her Canada's champion peace petitioner.

It also makes it clear that Canadians are still falling for Communist trickery. The "Peace" Petition has been everywhere labeled a Communist dodge.

Has Top Priority

Today, in every country in the world where the Communists are not masters, the "Peace" Petition has top priority in party activity.

The "Peace" drive started at the recent Stockholm Conference of the Permanent World Committee for Peace.

In Canada, it supplants the "Ban The Bomb" drive. The Reds claim 200,000 have already signed that. These will be considered a "down payment" on the 500,000 signatures now being sought on the new Peace Petition.

A recent Canadian party directive sent to every LPP member from the National Executive and signed by Tim Buck, makes it clear that this is the supreme assignment. Here's what the faithful are being told:

" . . . we should regard this as an emergency . . . We have three months to do the job (in time for what the Reds have designated as "International Peace Day," Oct. 10) . . . This summer may well be the turning point . . . The cause is the greatest we can devote ourselves to."

The comrades are going to work with a will. By this week, many Canadians had received letters signed by two or three people in their neighborhood asking them to sign up. Not knowing any different, a lot signed.

Prominent figures have been publicly put on the spot. The directive even spells out how to do it. If you don't sign "(you) will stand thoroughly exposed to the accusation that (you) want war."

In other words, unless you sign and go along with the Communists, which means you support North Korea's invasion, you're a warmonger, a fascist imperialist.

The New York Daily Worker puts it even clearer still. Those who refuse to sign are pictured snarling: "No, I don't want peace; I'm a fascist beast."

What Petition Says

Addressed to the Government of Canada, the petition flatly blames the U. S. for the Korea conflict, demands an end to U. N. military intervention.

Then it says:

"We the undersigned, petition you to make the following declaration:

"1. Canada stands for the unconditional banning by all countries of the atomic weapon as an instrument of aggression and mass extermination of people, with strict international control over the fulfilment of this decision.

"2. Canada will regard as a war criminal that country which first uses the atomic weapon against any country.

"This petition is being circulated in ALL countries to ensure that there shall be no more war."

The Communists claim 100,000 Canadians have already signed. The goal is 500,000 by Oct. 1.

The Reds claim 200 millions all over the world have already signed. In fact, according to U. S. Secretary of State Dean Acheson, more than half the population of North Korea signed it just before they launched their attack. The Communist press itself confirms that at least four million signed.

Officially, the Canadian Peace Congress is directing the operation. Headed by Dr. James Endicott, a recent visitor to Moscow, it is the No. 1 Communist front in Canada today.

Recently, Secretary Mary Jennison issued orders "alerting" the whole movement.

"We are calling," she said, "on all local peace groups, councils, committees, associations, national groups, trade unions and other to hold public meetings . . . write or wire the prime minister . . . run ads in the local press . . . get signatures . . . "

Here's Program

The campaign is aimed at three targets:

—Individual signatures through house-to-house canvassing, street corner booths on Saturday afternoons, outside and inside factories, picnics, dances, summer camps.

—Mass endorsations at public

(Continued on page 15)

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LONDON CALLING—*By Adelphi*

New Capital Levy Part of U. K. Program To Finance Heavy New Defense Budget?

LONDON—Now that the Government has announced heavy new defense expenditures which must increase taxation and lower our standard of living by producing implements of war instead of consumer goods, there is talk of another capital levy although Cripps is said to be reluctant to bring it in. His phrase last time "once for all" hangs around his neck, for it was in fact a pledge that he would never bring in another capital levy.

He is still sensitive about his reiterated statements that under no circumstances would the pound be devalued. He is a man who has a deep, almost religious respect for his own integrity and he does not enjoy the taunts of the Tories that his rigidity consists of "No never! Well, hardly ever," which, as you well recall, are associated with the immortal captain of H.M.S. Pinafore.

The mood of the country, however, is to accept any sacrifice that will ensure our safety and make war more difficult for Russia to wage. The ghost of a once-free Czechoslovakia haunts the memory of people here. There is a determination that there will not be another Munich this time.

• • •

Coalition Govt.? Not For Some Time Yet

It is unlikely that there will be any attempt to form a coalition government at this juncture. Mr. Attlee is in the favorable position of being confident of the Tory Opposition supporting him in any necessary measures, however unpalatable, and at the same time he can demand party loyalty from his own supporters.

If a coalition were formed there would undoubtedly be a considerable breakaway of Socialists who would form a left wing opposition under Aneurin Bevan. For these reasons I would rule out a coalition unless the war situation takes a more violent turn.

• • •

Plans For '51 Festival Hit Shipping Snag?

It is one of the paradoxes of the British character that plans are going relentlessly ahead for next year's Festival. It was a brave if somewhat quaint idea on Herbert Morrison's part that Britain should burst into a vast Hallelujah chorus and demonstrate her glories and beauties to the world.

One of his purposes was to lure more dollar tourists to these blessed islands but as shipping space was completely booked this year it is not easy to see how we are to carry the increased traffic.

The cost of Festival preparations has already run into many millions and there was considerable criticism of the whole venture, but it is too late now to draw back and the critics have decided to stop barking at Morrison's heels.

• • •

Stock Market Recovers From Korea Jitters

The stock market has shown a good recovery in the last few weeks, caused by the reinforcements of the harassed G.I.'s in Korea, and the return of Russia to the Security Council. But paradoxically the rubber market is flat despite the increase in the price of the commodity. At their present market valuation many Malayan shares show a return of 20% but there are few buyers.

As usual the investor's mind is not too logical. To be optimistic about Korea and pessimistic about Malaya does not seem the acme of logic, for they are both sectors in the same battle.

Prime Minister Nehru is causing some worry by his attitude. Mr. Nehru believes that India's future is bound up with that of Asia as a whole, and he sees no reason why Communist China should not be represented on the Security Council instead of Chiang-kai-Shek's defeated government. I suppose we are all looking through a glass darkly but Nehru is not making the Anglo-American task any easier.

• • •

Many Tributes To Queen On Her 50th Birthday

The Queen's fiftieth birthday drew eloquent tributes—and they were richly deserved. She and her husband came to the throne because a much-loved King would not pay the price of kingship. There was no enthusiasm when the trumpets sounded from St. James's Palace, and there were shrewd men who said that this would be the beginning of the end for the monarchy. Yet today the throne is more impregnable than it has been for a hundred years.

The nation owes a deep debt to the Scottish girl who as wife, mother and Queen won the hearts of the British as she won the hearts of the Canadians on the Royal tour before the war. Her influence on the King gave him confidence and happiness. In the war they stayed in London during the bombing, preferring to share the risks and hazards of their subjects

At any hour now the Queen will be a grandmother for the second time. So her story will go on through the ages, even if it is unlikely that she will serialize it for dollars in an American publication.

• • •

Drew Stay Short, Few See Him in London

George Drew arrived in London this week but his stay was so short that few of his friends were able to see him.

• • •

Lord Beaverbrook has returned from Canada full of the glories of New Brunswick. Apparently he re-discovered the joys of fishing while he was in the Maritimes. It must have been quite a change for him to fish in untroubled waters.

• • •

There is widespread sympathy in London for Vincent Massey in the loss of his wife. The Masseys became an integral part of London life, and she was as pleasant as she was untiring in all the social duties imposed upon her.

R. A. STENCEL

assistant general sales manager, Todd Co. of Canada Ltd., St. Lambert, Que., has been put in charge of company's sales expansion program for Canada.

American Neph. Profits Greater

There was a sharp increase in operating profits for the first six months of 1950, President M. R. Jennings of American Nepheline Corp. states in his semiannual report.

The operating profit, before deductions for income taxes, depreciation and deferred development, subject to audit, was $119,293, as compared to $37,492 in the same period of 1949.

In the period, sales tonnage was 17.9% greater than for the corresponding period of last year.

Threefold Boost In CPR Net

MONTREAL (Staff) — CPR's net revenues for the first half this year were three times last year's results, totaling $9.1 millions against $3 millions a year ago. Gross revenues were up only $2 millions but working expenses were reduced by $4.1 millions.

The improvement reflects the rate increases granted Canadian railways in recent months — the 8% interim award in September, 1949, increased to 16% in March and to 20% in the final decision late in May. Comparative statements follow:

	1950	1949	Incr.
Month of June	$	$	$
Gr. earns.	32,322,644	29,068,906	3,253,738
Wkg. exp.	28,883,220	28,557,873	325,347
Net earns.	3,439,424	511,033	2,928,391
6 Mos. Ended June 30			
Gr. earns.	177,305,486	175,235,795	2,069,691
Wkg. exp.	168,157,237	172,247,252	4,090,015
Net earns.	9,148,249	2,988,543	6,159,706

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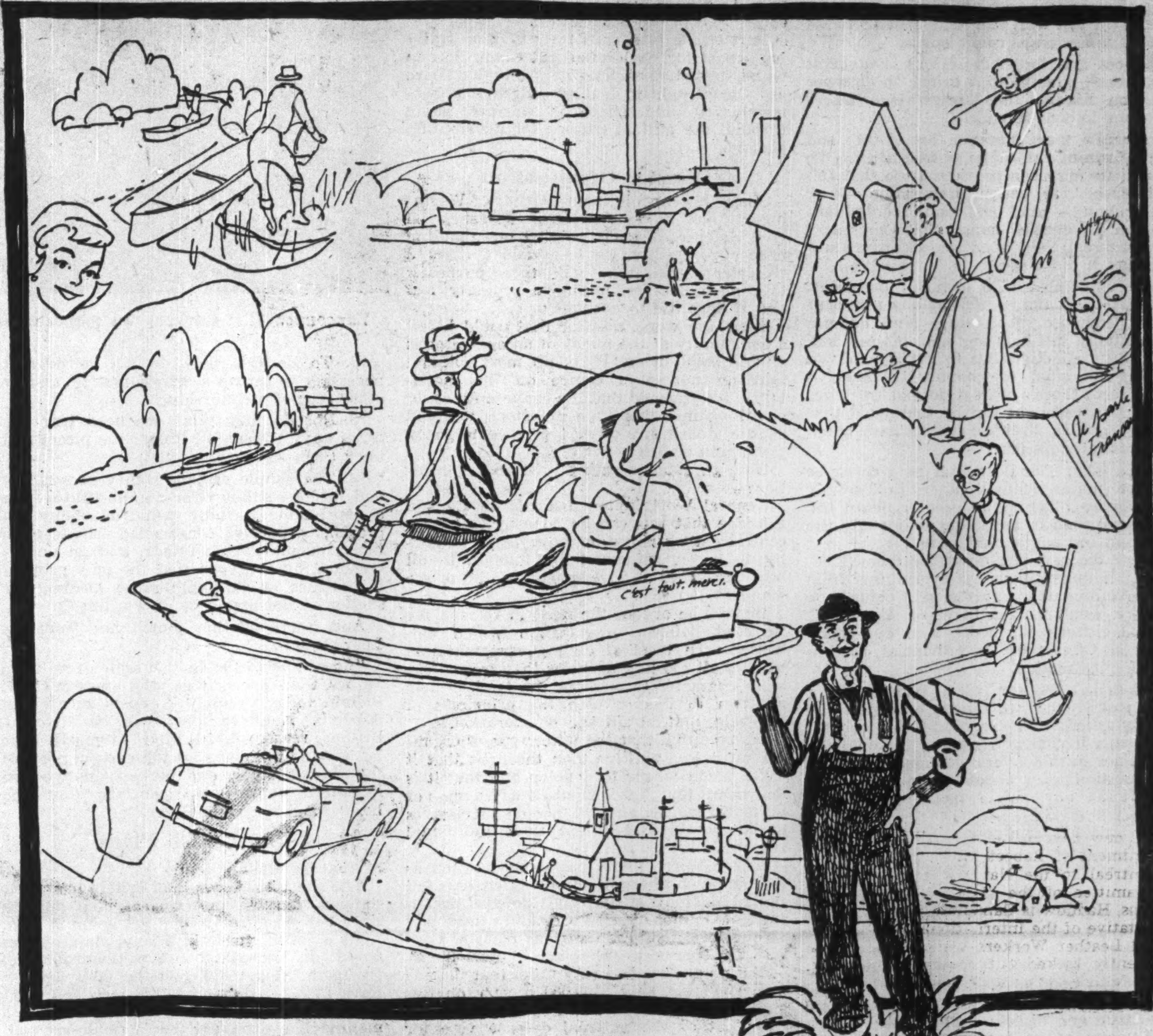

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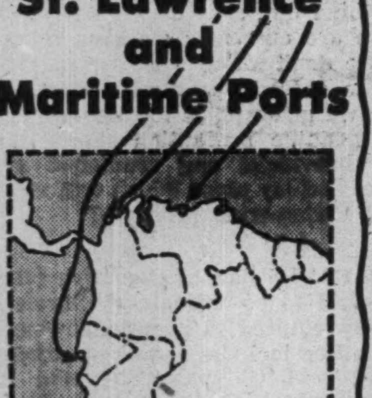

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Position of Chartered Banks of Canada as of June 30, 1950 Shown by Monthly Returns to Minister of Finance

LIABILITIES

Name of Bank	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other banks in Canada	Due to banks in U. K.	Due to Banks Elsewhere
	$	$	$	$	$	$	$	$	$	$	$
Montreal	....	73,347,062	40,687,496	....	626,421,021	1,003,719,011	13,391,626	92,268,299	23,654,937	10,113,850	10,601,674
Nova Scotia	54,206	16,481,944	3,273,703	....	201,220,955	407,481,460	3,832,704	83,811,743	11,443,126	1,855,240	7,897,979
Toronto	....	9,127,704	5,845,064	....	129,210,042	276,320,588	477,228	....	4,464,048	4,401,657	1,609,815
Provincial	....	2,546,970	695,435	....	35,007,817	120,022,338	28,576		2,695,232	11,604	151,292
Commerce	30,575	20,731,172	49,143,165	....	475,350,588	841,063,781	9,968,649	98,833,720	11,405,323	5,552,275	9,805,271
Royal	342,927	37,039,837	44,780,050	....	677,527,960	1,005,230,887	39,046,826	377,748,625	21,238,226	6,209,898	38,461,537
Dominion	....	8,848,993	3,868,765	....	131,582,693	223,430,460	4,038,458	13,833,529	7,084,856	2,554,593	2,205,854
Nationale	....	6,616,933	1,473,715	....	99,817,504	292,123,369	627,135	654,411	3,262,952	88,034	764,908
Imperial	....	6,589,946	37,094,086	....	154,439,043	270,790,006	1,425,658	....	5,492,466	4,818,023	3,623,572
Barclays	....	2,355,631	35,667	....	7,581,272	8,011,557	5,319,463	....	229,876	4,076,638	2,150,570
Total	427,708	183,686,192	186,897,146	....	2,538,158,895	4,538,193,457	78,056,323	667,141,327	91,016,042	39,669,812	86,371,472

Name of Bank	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in circ.	Bills rediscounted with Bank of Canada
							SUPPLEMENTARY INFORMATION					
	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	32,362,828	813,978	33,830	48,000,000	36,000,000	2,110,405,616	50,000,000	36,000,000	10	768,971	....	....
Nova Scotia	20,585,354	487,645	429,112	24,000,000	12,000,000	794,855,178	15,000,000	12,000,000	14	2,337,489	54,668	....
Toronto	3,743,150	19,645	4,307	14,000,000	6,000,000	455,223,253	10,000,000	6,000,000	14	623,157	....	....
Provincial	319,282	117,528	12,580	2,000,000	4,000,000	167,608,659	5,000,000	4,000,000	6	667,875	....	....
Commerce	52,669,642	730,123	623,501	30,000,000	30,000,000	1,635,952,792	50,000,000	30,000,000	8	1,576,394	30,776	....
Royal	52,619,425	3,372,467	84,076	44,000,000	35,000,000	2,382,702,748	50,000,000	35,000,000	10	2,123,924	363,001	....
Dominion	6,768,164	199,506	177,652	10,000,000	7,000,000	421,593,528	10,000,000	7,000,000	10	190,765	....	....
Nationale	1,176,232	53,235	23,335	7,000,000	7,000,000	420,665,768	10,000,000	7,000,000	8	703,985	....	....
Imperial	8,369,684	214,685	213,751	10,000,000	7,000,000	510,065,925	10,000,000	7,000,000	12	733,319	....	....
Barclays	875,227	11,358	....	1,500,000	1,500,000	33,656,263	1,500,000	1,500,000	....	....	....	....
Total	179,488,988	6,020,170	1,602,144	190,500,000	145,500,000	8,932,729,730	211,500,000	145,500,000	....	9,715,879	448,445	....

†And loans for which they are guarantors

ASSETS

Name of Bank	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U. K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,692,790	11,996	34,382,049	156,086,869	114,204,619	1,331,702	258,972	3,748,183	43,841,948	122,997,547	652,377,695	31,810,814	91,231,711	46,349,276
Nova Scotia	1,232,742	628,450	17,599,494	46,526,562	47,880,583	8,921,840	....	579,380	22,817,136	40,578,570	148,284,974	4,433,589	12,199,216	10,736,692
Toronto	627,489	....	7,220,333	31,922,959	29,504,696	498,740	....	301,056	4,175,005	34,985,656	144,298,245	5,026,046	14,353,358	9,456,158
Provincial	424,297	....	3,931,375	9,436,253	9,112,644	170,293		....	1,536,511	18,980,760	27,389,204	6,331,433	15,455,174	6,889,937
Commerce†	1,966,040	53,479	23,798,340	98,661,123	70,143,861	2,366,116	333,819	1,873,260	33,174,124	89,434,658	492,710,168	23,340,828	10,272,190	28,046,763
Royal‡	2,692,465	1,679,968	38,926,042	120,370,836	113,358,318	42,657,008	6,959	9,182,852	143,405,339	210,477,061	629,377,967	24,491,064	72,467,066	35,561,814
Dominion	643,350	226	5,542,334	32,765,636	25,605,861	422,136	....	1,864,776	10,055,516	34,788,837	100,491,177	1,031,236	5,371,378	7,505,802
Nationale♦	1,188,678	32	11,934,094	20,335,135	15,908,303	474,929	....	90,448	2,198,818	40,237,540	89,192,955	4,799,444	38,431,634	16,357,011
Imperial	1,214,870	....	11,104,941	26,573,864	45,498,126	232,640	746,579	426,894	12,023,673	34,615,243	136,567,320	1,839,444	7,196,557	10,295,048
Barclays	14,552	....	254,102	1,742,792	760,176	12,443	113,128	421,805	1,452,788	2,465,610	6,115,466	1,420,740	5,148,889	1,222,169
Total	12,657,273	2,374,151	151,693,104	544,422,029	474,977,687	57,087,937	1,489,457	18,488,624	244,678,858	629,558,481	2,427,305,071	104,584,638	302,127,073	172,420,670

Name of Bank	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	§Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	63,472,569	147,277,321	22,145,636	23,870,108	452,104,882	21,809,915	6,611,305	18,344,663	380,392	270,988	18,573,963	....	3,010,674	2,111,561,427
Nova Scotia	8,687,051	22,802,716	27,200,288	10,488,888	261,696,506	46,094,993	1,903,804	15,533,705	84,520	2,000	9,810,034	....	10,293,433	797,602,203
Toronto	....	14,940,457	8,154,378	....	135,269,166	....	....	6,308,760	22,202	8,178	5,774,429	....	63,132	456,653,604
Provincial	....	7,843,515	2,742,410	....	50,735,161		86,632	2,699,636	21,951	85,860	2,435,212	....	1,423,132	168,110,680
Commerce†	39,605,933	70,911,351	28,795,195	8,802,778	430,093,178	48,004,188	21,295,147	10,656,286	434,246	222,199	18,065,602	....	3,927,276	1,639,657,803
Royal‡	116,831,685	105,289,306	37,478,226	41,970,148	477,305,670	103,020,035	50,233	13,393,282	264,711	245,184	13,873,868	....	6,216,427	2,386,563,062
Dominion	3,715,776	6,687,848	7,338,917	5,006,931	156,905,806	2,113,342	....	1,449,295	27,534	40,995	6,509,109	....	299,739	422,949,233
Nationale♦	751,750	16,014,666	3,237,505	....	138,782,921	532,330	1,330	11,878,535	28,770	155,849	7,338,298	....	175,842	421,211,558
Imperial	1,650,000	9,741,858	7,087,407	....	184,816,919	142,643	237,488	4,186,068	99,609	....	7,127,377	....	62,698	511,856,959
Barclays	3,813,866	250,000	601,650	....	5,762,348	....	....	....	760	....	1,340,166	....	20,809	33,809,496
Total	238,378,730	401,789,038	144,781,612	90,138,553	2,293,472,561	221,717,445	30,275,938	84,450,230	1,364,695	2,062,506	90,848,058	....	25,493,162	8,950,066,025

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of The Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to The Canadian Bank of Commerce return.

§Includes mortgages.

ΔIncludes $179,488,988 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

♦Banque Canadienne Nationale (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of the Banque Canadienne Nationale (France) are included in the above general statement.—Footnote to Banque Canadienne Nationale return.

How The Reds Would Trick You With Peace Petition

(Continued from page 13)
meetings, trade unions, church and cultural gatherings.

—Personal approaches to well-known community figures; prominent artists, musicians, writers, unionists, lawyers, doctors, professional people, M.P.'s, municipal politicians, ministers, and youth leaders.

The Reds appear to have had their best success with ministers of the church. They claim 70 ministers, most of them United Church, have signed.

The importance attached to these signatures is indicated by the top play given them in the Communist weekly paper, The Tribune.

The Tribune boasts that 63 Quebec communities through their mayors and municipal councils, have endorsed the petition. It says 40 signed up since the Korean conflict.

But since then the towns and villages have been "shocked" to learn they were flim-flammed into supporting a Communist stunt and have denounced the petition.

In Montreal and Quebec City the Reds found enough money to put up 200 huge posters, proclaiming: "No Canadian lives for the Yankee War in Korea." They also distributed 15,000 leaflets in Montreal. They boast they have distributed a quarter of a million pieces of literature since Korea.

Badger St. Laurent

In Regina canvassers are hitting the streets two nights a week. In Saskatoon they tried to disrupt a non-political speech by Prime Minister St. Laurent by dropping leaflets from a plane. At Fort Qu'Appelle, truckloads from Moose Jaw and Regina tried to break up a picnic for St. Laurent.

In Toronto, the heart of Communist and "peace" operations they are holding noon street-corner meetings outside industrial plants and factories. At one, Communist Stewart Smith was hustled off to police headquarters when he refused to move on. A crowd of 300 had gathered. Police said they were blocking traffic.

The Toronto goal is 50,000 signatures. Running Mary Claire a close second as top canvasser is another young Communist, Walter Krehm. He's been working so vigorously, police picked him up for disturbing the peace. He was found guilty, fined $50 or 30 days.

Dr. Endicott, "Peace" Congress' chairman, protested to Toronto's Board of Control.

A new development is the appointment of Robert Haddow, of Montreal to the National Labor Committee of the "Peace" Congress. Haddow is Canadian representative of the International Fur and Leather Workers which was recently kicked out of the CIO for Communist activities. Haddow is a veteran party member.

Chairman of the important "Peace" Labor Committee is Ross Russell, Toronto, another Communist. His regular job is organizing director, United Electrical Workers. This outfit has been expelled by both CIO and CCL.

As for the Congress itself, for reasons only known to its sponsors, only three officers have been identified. The make-up of the executive council is a closely guarded secret.

Known Officers

The known officers are: Endicott, Mary Jennison who has a lengthy record of Red association, including the Soviet Russia Friendship Council; and Paul Kirzner, Toronto, treasurer. His record goes back to 1938 when he was a leading member of the Young Communist League, now the National Federation of Labor Youth.

Other key people include: Jean Pare, Montreal organizer for Russell's union, and a known Communist. He was chairman of the last Peace Congress meeting in Toronto at which the Dean of Canterbury spoke. He is also chairman of Montreal's Peace Council.

Clarence Jackson, president of the UE, one-time trustee of the Tribune.

John Weir, chief liaison officer between the LPP and the party's Ukrainian affiliated group.

Robert Laxer, staff member of the Tribune is chairman of the Toronto Peace Council.

John Goss, of Vancouver; prominent in music circles, he has been barred from the U.S. because of his Communist affiliations.

These are but a few of the known Reds directing the "Peace" movement.

What prominent labor men think of all this is pointed up by the blast of a Windsor CIO Auto Union official, Earl Watson, one of the growing army who can see and doesn't hesitate to describe what he sees of Red methods:

"In the name of democracy, they seek to destroy and subvert democracy.

"In the name of unity, they seek world domination.

"In the name of peace, they seek the world, piece by piece."

BANK OF CANADA

	Aug. 2 1950 $	July 26 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1 296,262,781	1,291,661,795
Deposits:		
Govt. of Can.	38,799,002	23,809,707
Chart. banks	551,479,792	531,088,018
Other	220,741,483	224,794,201
Total deposits	811,020,277	779,691,926
Liabs. payable in sterling, U.S.A. & foreign gold currencies:		
(a) to gov. of Can.	110,235,330	84,220,092
(b) to other	21,266	21 266
Total	110,256,596	84,241,358
All other liabs.	18,603,027	16,830,031
Total liabs.	2,251,193,048	2,187,475,477
Assets		
Foreign Exchange:		
Sterling & U.S.	104,756,596	78,741,358
Other curr.	114,748	99,266
Total	104 871,344	78,840,624
Subsid. coin	379,976	421,094
Inv.:		
Gov. sh. term	1,446,944,234	1,413,683,590
Oth. gov. sec.	637,796,538	637,991,114
Other sec.	5,500,000	5,500,000
Total invest.	2,090,240,772	2,057,174,704
Total share cap. at cost	25,000,000	25,000,000
Premises	5,010,558	4,644 818
All other assets	25,690,398	21,394,237
Total assets	2,251,193,048	2,187,475,477

BOOKS FOR BUSINESSMEN

AUDITS BY CERTIFIED PUBLIC ACCOUNTANTS by American Institute of Accountants, 270 Madison Ave., New York 16, N.Y., U.S.A.; 56 pages; price $0.50.

This pamphlet has been prepared by the Research Department of the American Institute of Accountants to fill the need expressed by credit grantors, teachers and others concerned with the work of the certified public accountant for a brief but reasonably complete statement setting forth in general terms what the C.P.A. does in order that he may express an opinion on financial statements. It discusses some of the characteristics of financial statements and explains the significance of the C.P.A.'s reports. Auditing procedures frequently employed by CPA's are described in some detail but they are not a check list of procedures applicable in a particular audit.

QUEBEC TAX AND DOING BUSINESS GUIDE, 3rd edition, published by CCH Canadian Ltd., 1200 Lawrence Ave. W, Toronto, and 411 Transportation Bldg., Montreal. Price, $3.

Like its sister, the Ontario Guide, this work outlines the legal requirements affecting business in the province not only for Quebec companies but all other companies operating in the province. While taxes are of prime importance to business men in all provinces, they are of special interest in Quebec be cause of special taxes there such as the Retail Sales Tax Act, Montreal and Quebec City Sales taxes. These and the laws affecting company organization, operation, general taxation, etc., are dealt with, the whole fully indexed.

Staff Changes

Chartered banks announce the following staff changes:

Nova Scotia:

J. L. DUCHASTEL, to be manager, New Richmond, Que.

R. E. LAPP, to be manager, Hastings & Vernon, Vancouver.

C. S. ROBERTSON, to be assistant manager, Saint John N. B.

L. B. ALLEN, to be accountant, Chester, N.S.

T. A. DOUGLAS, to be accountant, Kitchener, Ont.

E. C. MacRAE, to be accountant, 41st Ave. & Granville, Vancouver.

* * *

Commerce:

W. D. ODDIE, accountant, Humboldt, Sask., to be manager, Atikokan, Ont.

A. D. GILLAN, manager, Melfort, Sask., to be manager, Carman Man.

C. H. KYDD, to be assistant accountant, Charlottetown, P.E.I.

G. A. ROBINSON, to be assistant accountant, Delhi, Ont.

R. J. PRENTICE, manager, Carman, Man., to be manager, Fort Frances, Ont.

F. B. REID, to be accountant, Humboldt, Sask.

J. D. SILLS, accountant, Virden, Man., to be manager, Kenton Man.

H. E. PRATT, manager, Elmwood, Winnipeg, to be manager, Melfort, Sask.

N. A. ELWICK, manager, Treherne, Man., to be manager, Neepawa, Man.

W. D. PRINGLE, assistant accountant, Charlottetown, P.E.I., to be accountant, Sydney, N.S.

G. S. FRASER, manager, Kenton, Man., to be manager, Treherne, Man.

W. L. BROWN, to be accountant, Virden, Man.

A. M. McVEIGH, manager at Atikokan, Ont., to be manager, Elmwood, Winnipeg.

* * *

Dominion:

F. S. NORRIS, to be manager, newly opened branch, Quesnel, B.C.

* * *

Nationale Canadienne:

A. CHAYER, to be manager, newly opened branch at St. Joseph d'Alma, Lake St. John County, Quebec.

* * *

Royal:

J. A. J. BURGEOIS, Amherst & St. Catherine, Montreal, to be manager, Ontario & Bourbonniere, Montreal.

W. A. RENNISON, manager, Steveston, B.C., to be manager, Smithers, B.C.

J. S. HILL, manager, New Liskeard, Ont., to be manager, Thorold, Ont.

U. E. SPRINGER, Burlington, Ont. to be manager, Delta, Hamilton.

J. A. F. TREMBLAY, St. Laurent, Montreal, to be accountant, St. Hubert St., Montreal.

D. B. ASTLEY, Port Hope, Ont., to be accountant, Midland, Ont.

A. P. MACLEAN, Dalhousie, N.B., to be accountant, Campbellton, N.B.

E. PATERSON, Upper Lonsdale, North Vancouver, to be accountant, Ladner, B.C.

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Chevrolet is FIRST...
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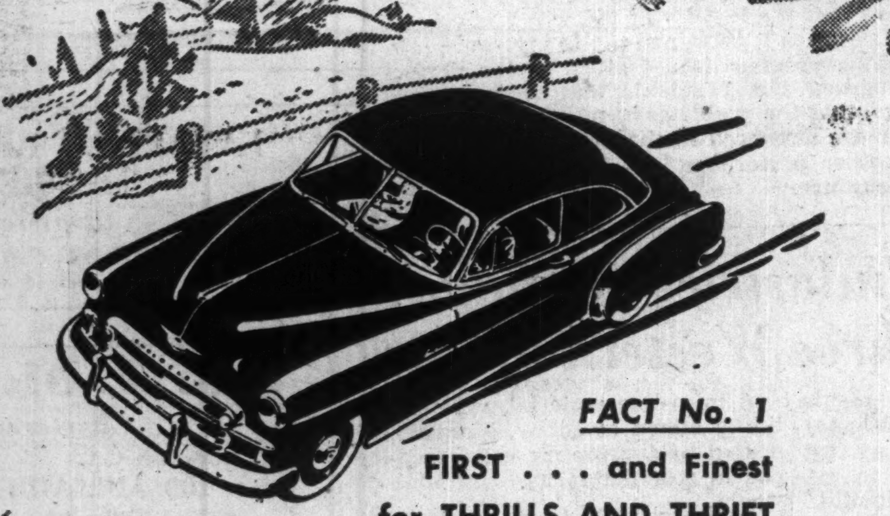


FACT No. 1
FIRST . . . and Finest for THRILLS AND THRIFT

Yes, Chevrolet brings you the *finest* combination of thrills and thrift . . . with its highly-improved World's Champion Valve-in-Head engine. You get more thrills — flashing action at the get-away *and* at highway speed. You get more thrift — thanks to a new carburetor and larger exhaust valves. And traditional Chevrolet dependability!

Come in . . . get *all the facts* about Chevrolet . . . Canada's best seller . . . Canada's best buy . . . and you'll want to *own a new Chevrolet!*

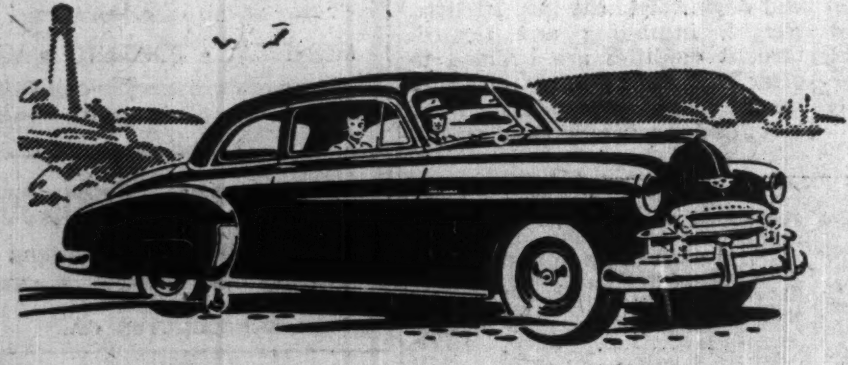
You'll experience its extra-value in *every* phase of Chevrolet road-action . . . in its fleet and frugal Valve-in-Head performance . . . in its finer driving and riding ease . . . in the enviable view afforded by its curved windshield with Panoramic Visibility . . . and in its greater all-round safety-protection.

You'll know it's the best buy the minute you take the key and start the smooth-running Valve-in-Head Engine; and, incidentally, *one key fits everything,* from the ignition lock to the big, capacious luggage compartment. If you wish you can lock glove and luggage compartments and remove the key without locking the ignition.

Come in — *today!* Let Chevrolet drive home these facts to your own complete satisfaction! And you'll be quick to agree that Chevrolet is *first and finest at lowest cost!*

FACT No. 3
FIRST . . . and Finest . . . for STYLING AND COMFORT AT LOWEST COST

Chevrolet's exclusive Style-Star Bodies by Fisher, with tasteful two-tone interiors, bring you extra-wide form-fitting seats — extra-generous head, leg and elbow room — extra value in *every* detail of styling and comfort in this *longest and heaviest* of all low-priced cars!



FACT No. 2
FIRST . . . and Finest . . . for ALL-ROUND SAFETY AT LOWEST COST

Chevrolet is the only low-priced car offering this five-fold safety-protection: (1) Curved Windshield with Panoramic Visibility, (2) Extra-strong Fisher Unisteel Body, (3) Safety Glass throughout, (4) Super-Safe Unitized Knee-Action Ride, and (5) Proved Certi-Safe Hydraulic Brakes!

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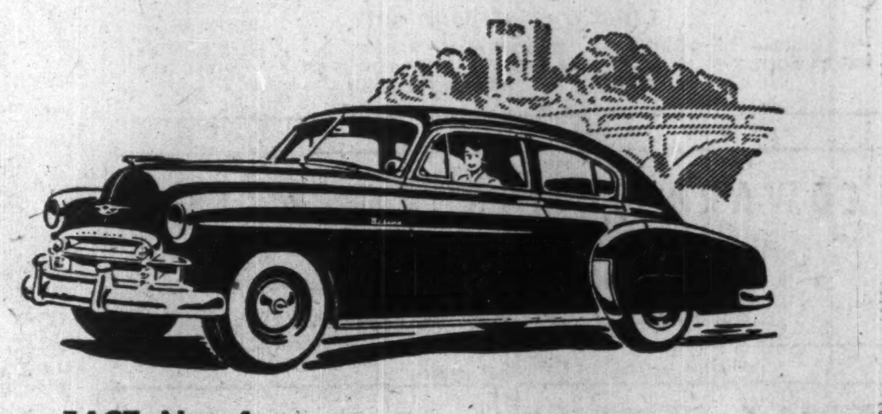

FACT No. 4
FIRST . . . and Finest . . . for DRIVING AND RIDING EASE AT LOWEST COST

Of all low-priced cars only Chevrolet offers you the superlative riding smoothness, road-steadiness and driving ease of Centre-Point Design. Centre-Point Steering, Centre-Point Seating, Low Centre of Gravity and Centre-Point Rear Suspension all add up to a ride you'll call a dream!

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C-850A

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213 Laurier Ave. W. Ottawa

LIFE INSURANCE WINNERS — **HONORABLE MENTION**

Young and His Doctor Friend

After the life insurance needs of a particular case have been determined, the whole plan must be tailored to fit the individual circumstances. Such a plan should be adjustable, leaving room for expansion—must be within the individual's financial power.

These factors are dealt with in this honorable mention article by R. A. Young of Manufacturers Life, Saskatoon. He outlines the needs of a 40-year-old doctor with wife and five children, the security already provided and still needed; what he could afford for further security.

Other entries which won honorable mention in The Financial Post contest will follow in later issues.

By R. A. YOUNG
(Manufacturers Life, Saskatoon)

R. A. Young, 36, joined the Manufacturers Life Co. on discharge from the Canadian Army in 1945, received his C.L.U degree in 1949. He takes an active part in community work, is chairman of the general business division of the Saskatoon Community Chest Campaign, assistant secretary of the Saskatoon Kinsmen Club, director of the Riverside Golf and Country Club, and president of the Northern Saskatchewan Life Underwriters Association. He was a National Quality Award winner in 1947, 1948, 1949, 1950. Married, with three young children.

This is a story about a doctor, his financial problems, his love for his family, and how Life Insurance provided the answer.

This friend of mine, still a young man at 40, is married and has five children ages 16, 14, 11, 9 and a nice new daughter of 1. His wife is 38. From 1939 to the end of the war he served in the Canadian Army. Previous to that he had served on hospital staffs on research work, etc., but after the war he went into private practice in partnership with another doctor.

He had always been conscious of his responsibilities to his family, but was never in the financial position to take care of those responsibilities properly. However, he was successful in private practice and now was financially in a position to do something about this problem.

What was his position when I first talked to him? He owned a $2,000 Whole Life Policy (we'll call it Policy No. 1) with my company, and a $13,200 Whole Life Policy with 20-Year Family Income Benefit of $132.50 with another company (Policy No. 2). That was all of his life insurance. There was a small mortgage of $2,500 on his house. The partnership was worth $40,000, of which each owned exactly half, a lot of it being in expensive equipment.

The Problem

What was his problem, what was he concerned about? First, if he should die, he wanted his wife and family to have an income of at least $250 per month for life. He wanted the mortgage on his house cleaned up, so that his widow would own her own home, and he wanted sufficient monies on hand at the time of his death to pay all outstanding debts, funeral expenses, etc., and succession duties, if any. In addition to this, he was also concerned with the problem all doctors have. When they stop work at 60 or 65 their income stops. There is no business to fall back on. They are their own business. So he was concerned with a retirement pension. He wanted a minimum pension of $200 per month.

He had one more problem that he didn't quite realize. He felt that his partnership assets was worth $20,000. To him, alive and using that asset, it was worth that, but remember that most of this was in equipment—a solid asset—and I pointed out to him that if he should die, the value of his estate would drop materially. So this was his other problem.

What was the answer? A good safe investment that would settle these problems for him, guaranteed to do the job, whether he died or lived. There was only one type of investment that could do it—life insurance.

The Answer

How was the problem met and answered? After several interviews, the doctor purchased $20,000 of life income insurance on his own life (Policy No. 3) for his personal program. At the same time I discussed partnership insurance with him, and he arranged that we get together with his partner and discuss it between all three of us.

The result was that both partners purchased $20,000 Whole Life Insurance on each other (Policy No. 4) to liquidate the half share of the deceased, and leave the survivor the sole owner of the practice.

As their life underwriter, I sat in with their lawyer and we drew up a partnership buy-and-sell agreement. In the agreement, on the death of one, $10,000 is to be paid in a lump sum, the balance of $10,000 to provide a life income of $36.40 per month under Option II, of the settlement options in the contract.

This took care of converting the solid asset of $20,000 worth of equipment into $20,000 cash. Because of the use of the life option, though, it actually amounts to more than that.

But there is more to the partnership insurance than this. If the doctors live the insurance will provide them with a pension, or life income of $57 per month, guaranteed for a 10-year period.

How Arranged

Now, how is this insurance arranged to answer the doctor's problem?

1. **Clean-up Fund**—$9,500.00.
   Policy No. 1—$2,000.00.
   Partnership Policy No. 4—$7,500.000.
2. **Life Income to Wife**—Present age 38.
   (a) $241.70 per month for 15 years.
   $132.50 from Policy No. 2 — Family Income Benefit to 1965.
   $72.80 from Policy No. 3 Life Income option guaranteed 20 years.
   $36.40 from Policy No. 4—Life Income option guaranteed 20 years.
   (b) $165.91 per month for life.
   $56.71 from Policy No. 2. After Family Income Benefit is finished, balance of proceeds paid under Life Income option, guaranteed 20 years.
   $72.80 as in (a) above.
   $36.40—as in (a) above.
3. **Mortgage Fund**—$2,500.00 (Policy No. 4 Partnership).
4. **Emergency Fund**—Any monies not required in Clean-up Fund.
5. **Life Income or Pension at 65**—$257.00.
   Pension Policy No. 3—$200.00.
   Partnership Policy No. 4—$57.00.

The remainder of his insurance, the doctor being still alive at age 65, amounts to $15,250. I recommended that this still be left as life insurance, rather than be used for increased pension, because it will still be required to provide Lump Sum money to clean up his estate, should death occur after age 65.

Premiums Limited

The above illustrates how his life insurance is programmed should he die and his wife survive. Some critics may say that the problem isn't entirely answered, that the income provided to the family isn't quite what he wanted.

That is true, but there is a limit to premium available at the present time, and the doctor is well pleased with what has been accomplished. It should be remembered as well, though, that each year that he lives, the life income to his wife, under the life income options in the contracts, will increase.

As a result of this fact the program is not far from what the doctor would like to have. When more premium dollars are available, I feel sure the program will be increased to the desired level, or even greater.

There is another point about this program that should be mentioned because it is very important. Arrangements made in the event that the doctor and his wife are killed in a common disaster. This has been taken care of by his will, in which there are full directions.

His brother-in-law is to be the guardian for the children up to the time they each reach the age of 21. At 21 each child receives $2,000 as a cash settlement, a monthly income will be paid to the brother-in-law in trust for the children while still minors, to provide them with a good way of life, and any unused monies when the last child reaches the age of 21 are to be divided among all children surviving in equal shares.

As the life underwriter, I assisted the lawyer in the drawing up of the will to ensure that the legality of the will was correct in so far as it pertained to life insurance law.

This program is not given as the perfect program, but I submit that it is a good one, that the problems of my friend the doctor are answered in the main, and that it is another performance of the miracle of life insurance.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HEAPS, WATEROUS LTD., New Westminster, B.C., had a net loss for the year ending Dec. 31, 1949 of $177,008 Net invoiced sales for 1949 from production and including the merchandising of other products were $955,964.

In Sept. 1949, Donald M. Waterous was named president. Widespread reorganization was undertaken to raise operation and control efficiency.

A writ has been issued against the company and a sub-contractor for substantial damages arising out of the destruction by fire of a certain sawmill and alleging negligence. The company denies liability and is resisting the claim now pending. Management is now hopeful that a profitable operation can be established on net invoiced yearly sales of approximately $900,000 resulting from manufacturing products from within the plant.

INCOME ACCOUNT

	Year ended Dec. 31 1949	8 mos. ended Aug. 31 1948
Sales	$955,964	......
Oper. loss	14,502	*$102,188
Add: Depr.	30,939	17,094
Int. & disc.	14,238	9,069
Bad debts	59,204	......
Invent. reval.	26,794	......
Claim settle.	19,750	......
Devel. cost	11,581	......
Taxes	......	27,500
Net loss & deficit	177,008	*48,525
*Profit or surplus.		
Earned per Share	d$1.65	$0.56
None paid.		

CONDENSED BALANCE SHEET

As at:	Dec. 31 1949	Aug. 31 ‡1948
Cash	$350	$7,046
Accts., etc., rec.	215,681	273,899
Inventories	376,517	479,221
Total curr. assets	592,548	760,166
Prep. exp.§	18,139	7,232
Misc. assets	28,905	36,500
Fixed assets*	198,830	224,204
Goodwill	20,000	20,000
Total assets	858,422	1,048,102
Bk. ln. & overdraft	288,788	221,898
Accts., etc., pay.	183,099	269,285
Total curr. liabs.	471,877	491,183
Def. liabs.	21,500	36,500
Funded debt	......	61,667
Conting. res.	......	3,306
Capital stock	354,198	259,401
Capital surplus	......	310,435
Earned surplus	10,847	▪114,390
*After depr. of	519,270	476,559

▪Deficit.
§Incl. in curr. assets in co's report.
‡Pro forma after capital reorganization.

Working capital	120,671	268,983

CANADA PACKERS LTD. net profit of $3,480,212 for year ending Mar. 31, 1950 was up 23.9% over 1949 ($2,807,237). Sales at $327,670,647 are up $12,751,759 over last year while net earnings at $8,894,839 were up by $2,595,209. New record highs were recorded in tons of products sold, net profit and dollar sales.

President J. S. McLean states that over the three economic periods since the foundation of the company in 1927, net profits in these radically different periods have not deviated greatly from the average. The report shows that in the years 1927 to 1939, net profit was 16.8c per 100 lbs.; in years 1940 to 1945, 17.8c per 100 lbs.; and in years 1946 to 1950, 16.3c per 100 lbs. This averages at 17c per 100 lbs. or net profit of one sixth of a cent per pound of meat sold.

Out of every sales dollar there were paid 82.25c (84.42 last year) for raw materials, chiefly livestock; 7.5c (7.02) for wages, salaries, bonus; 4c (3.65) to service organizations; 3.25c (2.69) for materials and packages; 1.25c (.83) for taxes; .25c (.34) for depreciation; .5c (.24) for pension plan; 1c (.76) was net profit.

The company shows two sets of figures in its balance sheet one including certain wholly-owned subsidiaries consolidated in prior years and the other including all wholly-owned subsidiaries. Fixed assets including all wholly-owned subsidiaries are carried at $32,212,635 as against $30,615,649 for company and certain subsidiaries. On the same basis total current liabilities are carried at $24,176,866 and $23,836,058 respectively.

CONS. INCOME ACCOUNT

Years Ended:	Mar. 29 1950 $	Mar. 30 1949 $
Sales	327,670,647	314,918,888
Net earnings	8,894,839	6,299,630
Less: Deprec.	1,199,126	1,079,175
Debent. int.	121,526	144,214
Deb. red. prem.	51,375	......
Inc. & oth. taxes	4,042,600	2,619,004
Add: Subs. divds.	......	350,000
Net profit	3,480,212	2,807,237
Less: Cl. A divds.	600,000	600,000
Cl. B divds.	800,000	400,000
Surplus	2,080,212	1,807,237

Note—In 1949, in addition to income tax, a tax of $760,962 was paid on the Wartime Inventory reserve, and charged against such reserve and tax reserve for prior yrs.

Earnings per Share and Dividend Record:		
Class A†	$8.70	$7.02
Paid	1.50	1.50
Class B†	3.60	2.76
Paid	1.00	0.50
Cl. A & B‡	2.90	2.34

†Before (‡after) participation.

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 29 1950	Mar. 30 1949
Cash	$71,302	$67,677
Call loan	534,000	400,000
Accts., etc., rec.	12,929,104	11,918,493
Investments†	214,225	357,613
C.s.v., life insur.	716,311	674,523
Inventories	22,186,295	19,704,282
Total curr. assets	36,651,237	33,122,588
Prep. exp.§	404,656	386,058
Inv. in sub.	2,748,916	2,748,916
Ref. EPT	240,000	890,000
Fixed assets	30,615,650	28,802,161
Total assets	70,660,459	65,949,723
Bank loan	7,100,590	1,879,357
Accts. & tax. pay.	15,835,468	13,023,196
Debents. due	......	2,000,000
Divds. pay.	900,000	500,000
Total curr. liab.	23,836,058	17,402,553
Funded debt	......	5,000,000
Deprec. reserve	20,579,260	19,382,241
Appraisals surp.	5,663,432	5,663,432
Capital stock	1,438,284	1,438,284
Earned surplus	19,143,425	17,063,213

†At less than market value.
§Incl. in curr. assets in co's report.

Working capital	12,815,179	15,720,035

CANADIAN CONVERTERS CO. reports net loss of $94,347 for the year ending April 30, 1950, as against a net profit in the previous year of $195,393. There was an adjustment of $31,826 in last year's income tax as a result of the loss. No dividends were received from the wholly-owned subsidiaries and these operated at a loss of $120,492, additional to company's loss.

The year was extremely difficult for the company and for the industry, President H. C. Flood states. Sharp recession in the U. S. textile industry made itself felt in Canada by bringing about a change in buying habits of the public. Spotty conditions experienced by customers made them extremely cautious in placing their orders with the trade and this hesitancy tended to reduce sales volume and selling prices. It it not possible to offset this reduction in selling prices as raw materials are still firm and there is even a chance they may go up, Mr. Flood states.

As a result of the 11.4% drop in sales volume and the above conditions, margin of profit was greatly reduced. "It is very difficult to forecast the current year's prospects as there has been very little change in existing conditions," President H. C. Flood states.

On Dec. 20, 1949, the company redeemed $75,000 bonds of series B due 1958-9.

In Jan., 1949, company sold part of its buildings to a Canadian insurance company for $350,000 and entered into a lease with the purchaser for the period from Dec., 1948, to Feb. 28, 1955, with an option to repurchase these properties for a nominal amount at any time from Dec. 1, 1954, to Feb. 28, 1955.

There is a contingent liability of $856,478 consisting of a series of notes discounted by the company at its bankers which were issued by one of the subsidiary companies in its ordinary course of financing the operations of the other subsidiary companies.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1950	1949
Net earnings	$10,291	$457,745
Less: Depreciation	109,657	78,730
Bond interest	15,055	16,654
Income tax	‡31,826	127,000
Ext. rep. & main.	10,352	39,968
Bd. red. prem.	1,400	......
Net profit	▲94,347	195,393
Less: Dividends	39,004	52,005
Surplus for year	▲133,351	143,388

‡Credit. ▲Loss or deficit.

Times Bond Interest Earned:		
Before deprec.	0.68	27.49
After deprec.	......	22.76

Earnings per Share and Dividend Record:		
Class A†	d$1.36	$2.82
Class A‡	*	1.50
Paid	0.56¼	0.75
Class B†	d4.22	4.14
Class B‡	*	2.64
None paid.		

†Before (‡after) participation.
*No earnings available for participation.

CONDENSED BALANCE SHEET

As at Apr. 30:	1950	1949
Cash	$4,144	$73,730
Accts. rec.	715,041	793,069
Inventories	1,220,609	1,474,878
Total curr. assets	1,939,794	2,341,677
Prepaid ins., etc.§	26,509	33,273
Invest. in subs.	319,091	319,091
Misc. assets‡	47,538	11,264
Properties*	990,000	1,058,374
Goodwill, etc.	250,252	250,252
Total assets	3,573,184	4,013,931
Bank overdraft	14,131	78,048
Accts., etc., pay.	395,462	452,941
Income tax	......	111,001
Total curr. liab.	409,593	641,990
General reserve	50,000	50,000
Funded debt	325,000	400,000
Capital stock	1,421,470	1,421,470
Surplus	1,367,121	1,500,471
*After depr. of	556,150	479,885
‡Incl. ref. EPT	......	11,264

§Incl. in curr. assets in co's report.

Working capital	1,530,201	1,699,687

NORTH DENISON MINES balance of July 18 installment of 50,000 shares at 15c a share together with the subsequent installment under agreement with Stuyvesant-North Ltd., have extended two months.

Insulation Industries (Canada) Improves Three Western Plants

Calgary and Winnipeg plants of Insulation Industries (Canada) Ltd., Vancouver, soon may get new processing furnaces to expand output of "vermiculite," lightweight building material used (a) as an "aggregate" replacing sand in concrete or plaster and (b) as loose-fill insulation. A new $25,000 furnace has been installed in the Vancouver plant. Branch warehouses are at Edmonton, Regina and Saskatoon. President is M. D. Muttart, Edmonton; vice-president and general manager, L. G. McDiarmid, Vancouver.

Insulation Industries started in Calgary in a small way eight years ago, makes vermiculite products under trade name Zonolite, also distributes wallboard, plywood, laminated plastic panel, etc., has 25 salesmen covering retail lumber and building supply dealers throughout the West.

A mica-like material, vermiculite is mined at Libby, Montana, heated to develop air cells, shipped in granular form.

Back recently from a trip to Washington, Mr. McDiarmid reports that on a major building job there a day's supply of vermiculite aggregate was hoisted to bricklayers in an hour and a half, against 10 hours to lift an equal volume of sand. Ten carloads were used in Edmonton's Victoria composite high school.

In B. C., where many radiant-heated basementless houses are being built, vermiculite concrete slab floor is said to be beating twin problems of condensation and downward heat loss. Its light weight, insulating and fire-retardant qualities are claimed to offer important savings in structural weight, materials, time, labor and construction equipment.

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INVESTMENTS

B. C. Power Corp.

Please advise me of the past record and outlook for British Columbia Power Corp. I am interested in its Class A stock.

British Columbia Power Corp. Class "A" shares are currently selling around $28.75 a share to yield about 5.57% on the basis of the $1.60 current annual dividend rate. These shares have had a high of $32⅞ a share and a low of $27½ a share this year. The Class "A" shares are entitled to noncumulative preferred dividends of $2 a share a year.

Rapid expansion of the company's generating and distribution facilities has taken place since the end of the war. A normal surplus of generating capacity has now been achieved and the company is able to export 30,000 kw of firm power to the Northwestern United States.

The year 1949 was the second largest construction year in the company's history with gross outlay of $29,900,000. Projects for 1950 call for a further estimated expenditure of $22,700,000. The year 1949, however, marked the beginning of a downward trend in capital expenditures after a sharp rise in postwar years culminating in 1948's record breaking program. This downtrend is expected to continue for the next several years, President A. E. Grauer states.

The hydro-electric additions that the company has under way, or on its planning boards for the future, will be for anticipation of growth in demand, Mr. Grauer told shareholders at the annual meeting. Growth in load continues at a substantial rate from 7½% to 10% per year and as long as this situation continues the company will be adding to the generating capacity of its system each year, he said.

British Columbia Power's consolidated gross revenues of $39,622,303 in 1949 were up 7.4% from 1948's gross of $36,910,053 and were 48% higher than the 1945 gross revenue of $26,792,376—reflecting mainly the growth of the company's services during the expansion period. At the annual meeting Mr. Grauer pointed out that in the ten year period from 1939 to 1949 the number of passengers carried had increased 101%, the amount of cubic feet of gas sold had increased 141% and the number of kilowatt hours of power sold had increased 144%.

Consolidated net profit, which had shown in 1948 the first effects of the expansion program by jumping 31.4% from the 1947 net was $2,303,258 in 1949 or down 11.5% from the 1948 net of $2,603,485. The upward trend in earnings which commenced in 1948 remained basically present because the 1949 earnings were depressed by approximately $480,000—more than the amount of the 1949 drop in net—as a result of the water shortage of the first part of 1949, Mr. Grauer told shareholders. The 1949 net was 51% greater than the 1945 net.

Due to the increase in the number of shares outstanding, earnings per Class "A" share dropped to $1.86 for 1949 as compared with $2.60 in 1948, both calculated on the number of shares outstanding at the respective year end. However, the 1949 earnings were equal to $2.24 a Class "A" share based on the average number of Class "A" shares outstanding during the year. The estimated loss in earnings due to water conditions would equal about 39c a Class "A" share on the basis of the 1,240,000 shares outstanding at the year end.

With improved water conditions and the completion of the two new 62,000 hp units at Bridge River in 1949, it is expected that the company's profit will be higher again in 1950.

Earnings per Class "A" share in prior years amounted to $1.98 in 1947, $1.99 in 1946, $1.81 in 1945, $1.84 in 1944 and $2.27 in 1943. The present dividend rate of $1.60 a share a year was established with the payment of 40c on April 15, 1944 and has been paid regularly since. The company had been paying dividends at the rate of $2 a share for the years 1938 to 1943.

At the last annual meeting Mr. Grauer stated: "It is our hope and expectation that the large, courageous program of betterment and expansion which the directors authorized on your behalf at the end of the war will continue to show improved earning power which will allow for a higher rate of dividend. The common shareholder certainly deserves more consideration than he has received."

Financing in 1949 included issuance by the operating subsidiary, B. C. Electric Co., of first mortgage bonds and preferred stock and a sale of an additional 240,000 Class "A" shares by the Corporation. (These shares were offered to the public at $27.50 a share in November.) In February and March 1950 additional preferred stock and bonds of the subsidiary were issued to net approximately $25,090,000.

Sheraton Ltd.

What degree of control does Sheraton Corp. of America hold in Sheraton Ltd. (formerly Cardy Corp.)? Has Sheraton Corp. bought, or does it intend to buy, Sheraton Ltd. shares now in the hands of minority holders? Have arrangements been made to exchange old Cardy Corp. certificates for new ones bearing the company's new name?

Sheraton Corp of America owns all of the outstanding 300,000 no par value class B shares of Sheraton Ltd. and approximately two thirds of the 212,273 $20 par class A shares outstanding. This was the proportion which Sheraton Corp. acquired when it purchased control of Cardy Corp. in January.

The Financial Post is informed that Sheraton Corp. hasn't increased its holdings in the Canadian chain. It's thought that there's little likelihood of further class A shares being acquired by the parent company at present. Company does not intend to pay any dividends until its working capital position has been improved. (It inherited a working capital deficit at the time of purchase.) This may mean a lapse of at least 18 months before resumption of dividend payments is likely to be considered, The Post is told.

Company has not begun to exchange the old Cardy Corp. share certificates yet, although the Sheraton Ltd. name is being typed on the old certificates by the transfer agent. Eventually new certificates will be issued, company states.

Wright-Hargreaves

I am considering the purchase of a block of shares of Wright-Hargreaves and would appreciate your comments on the company's position. Would you say that the company can be counted on to continue the present dividend over a period of years?

While Wright-Hargreaves Mines realized earnings of 9c a share in the six months ended March 31, 1950, more than covering the current annual dividend rate of 16c a share per annum, the company's future prospects are none too clear and there is no definite certainty that the present dividend will be continued over the next several years.

The company has issued no statement on the value of ore reserve since the year 1945 and while some ore is known to have been developed in work on new deep levels, deterioration in the ore position has taken place and it appears possible, if not likely, that the company will experience still greater difficulty in keeping the mill supplied with a good grade of ore. Mill tonnage has been raised somewhat in the last couple of years but average recovery today is about 25% lower than in 1945. Some improvement in average grade was shown in the six months ended March 31, 1950 and it is possible that this might reflect a better grade ore in underground work.

Financial position remains strong with working capital of $4.9 million at August 31, 1949, equivalent to just under 90c a share on the company's 5,500,000 issued shares. Outside exploration is being continued on a considerable scale but so far the company has not been able to bring any new mine along to the production stage.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements. The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MOUNT ROYAL RICE MILLS LTD. net profit of $143,713 for the year ending April 30, 1950, was up 40.7% over the previous year's net of $102,119. Sales were approximately the same as those of the preceding period but substantial economies were made in operations, President H. M. Wallis states.

On July 1, 1949, $20,000 3% first mortgage bonds were redeemed. Improvements to facilitate automatic handling between different parts of the plant were made to the amount of $23,799. Plant and equipment were appraised for replacement at $823,000.

Research was continued for new prepared products and active efforts were made to find new outlets for these products. Due to the unsettled conditions in the far eastern rice - producing countries, many prewar sources of supply are still closed but ample supplies are now available.

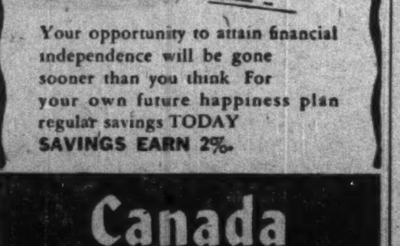
INCOME ACCOUNT

Years Ended Apr. 30:	1950	1949
Net earnings	$269,559	$193,627
Less: Deprec.	28,784	19,564
Bond int.	6,175	6,775
Income tax	90,887	65,169
Net profit	143,713	102,119
Less: Divds.	36,000	36,000
Surplus for year	107,713	66,119
Earnings per Share and Dividend Record:		
Common	$2.40	$1.70
Paid	0.50+0.10	0.50+0.10

CONDENSED BALANCE SHEET

As at Apr. 30:	1950	1949
Cash	$224	$289
Accts., etc., rec.	155,698	150,421
Inventories	865,299	787,703
Total curr. assets	1,021,221	938,413
Prep. exp.§	9,129	8,647
Fixed assets*	203,604	208,589
Total assets	1,233,954	1,155,649
Bk. ln. & overdraft	350,417	347,113
Accts., tax., etc., pay.	125,250	137,406
Total curr. liabs.	475,667	484,519
Funded debt	190,000	210,000
Capital stock	175,000	175,000
Earned surplus	393,287	286,130
*After depr. of	253,958	225,174
§Incl. in curr. assets in co's report.		
Working capital	545,554	453,894

Plan
TOMORROW'S SECURITY-TODAY



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SAVINGS EARN 2%.

Canada Permanent Mortgage Corporation
HEAD OFFICE
320 BAY ST., TORONTO

"C" is for colour (and corn in cans)

WHEN THE 1900's were young, a group of food canners were in a quandary.

Sometimes, when they packed corn, it darkened around the edges, or developed black specks . . . a colour-change harmless to people, but fatal to sales.

Corn discolouration, a Canadian working in Canco's research laboratory discovered, was caused by sulphur compounds in the corn itself. This discovery initiated a search for a can lining that would neutralize the reaction of sulphur compounds.

Result: a coating called "C"-enamel which, teamed with tin, made the perfect container for corn . . . to bring it to your table in its original appetizing colour.

Canco's scientists are continuously developing new enamels. The flavour of beer, for example, is kept exactly right by the famous lining Canco developed for the original beer can trademarked KEGLINED. Today, specialized enamels bring the durability, lightness, and low cost of Canco containers to manufacturers of everything from strawberries to strong chemicals.

Perhaps *your* product can gain through Canco research facilities. For *any* phase of packaging, call Canco first!

Executives: Can you use these aids to more profitable packaging?
1. Scientific help from the world's largest packaging research laboratory.
2. Help in preparing and testing recipes for your can labels.
3. Engineers to advise on economic plant layout for canning lines.

CALL CANCO FIRST

AMERICAN CAN COMPANY
CREATING PACKAGES THAT SELL YOUR PRODUCT
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Pattern of Progress

From the beginning of history, the network of a nation's highways has formed one of the basic patterns of a nation's progress—and today's highways are making a greater contribution than ever to continued progress because of the development of the modern motor coach.

Now comfortable, convenient and low-cost transportation has been made available for everyone. Modern bus lines form the regular—and often the only—link between countless communities, and have made possible the development of many out-lying areas.

In the provinces of Quebec and Ontario, the 543 modern motor coaches of the Provincial Transport Company and Colonial Coach Lines are serving routes which total over 3,789 miles over which travelled 19,429,015 passengers in addition to urban transportation services which carried 11,783,516 passengers during 1949 in Kingston, Ont. and Sherbrooke, Que. With skilled drivers, regular schedules, frequent daily trips, they are continually carrying thousands of passengers to work, to school or to play. They are proving, too, an important factor in the development of Canada's vital tourist industry.

Steadily expanding to meet the increasing needs of modern development, this great highway fleet is providing an essential travel service which combines comfort and convenience with economy.

PROVINCIAL TRANSPORT COMPANY
COLONIAL COACH LINES

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Let us quote on your aluminum extrusion needs. Production capacity open for early delivery. Tubing — Angles — Channels — Special Shapes, etc. Send blueprints, with specifications for prompt quotation.

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USE THE SPECIALIZED SERVICE AND ADVERTISING MATERIAL OF

THE CANADIAN FIRE INSURANCE COMPANY
THE CANADIAN INDEMNITY COMPANY
HEAD OFFICE: WINNIPEG

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AS BROKERS, acting exclusively for the Assured, we put service first. Our service is unique:

FIRST: and most important is Fire Prevention. This is regularly provided by us through our own staff of engineers. It means a lot to our clients.

SECOND: Carefully drawn insurance contracts "each to his own."

THIRD: Intelligent loss supervision.

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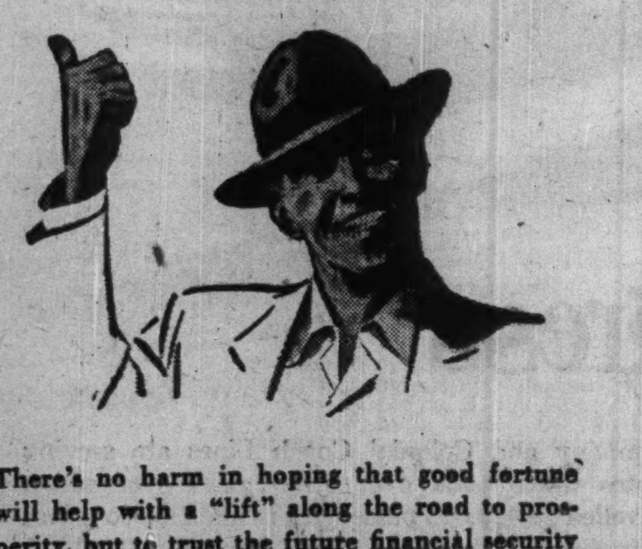
507 Place D'Armes, MONTREAL, QUE. MA. 5252

You can't "hitchhike" your way to Family Security



There's no harm in hoping that good fortune will help with a "lift" along the road to prosperity, but to trust the future financial security of a family to luck is to risk disaster.

There can be no independence without financial security. A family unprotected against the loss of the breadwinner faces an uncertain future.

The *sure* way to provide a continuance of income is through Life Insurance arranged in the form of *guaranteed*, non-cancellable monthly payments. Manufacturers Life representatives are qualified to help you plan your financial future in accordance with family needs and circumstances.

THE MANUFACTURERS LIFE INSURANCE COMPANY
Established 1887
HEAD OFFICE TORONTO, CANADA

Biggest Job Ever for Insurance Probers In Noronic Disaster: How Accomplished

When mass disaster strikes—as in last year's Noronic steamship blaze—what problems of identification arise to satisfy insurance claims, how are they solved? Methods used in the Noronic disaster, important considerations are dealt with in an article in the Canadian Bar Review. Here is a digest of the article:

Some of the situations in which identification becomes essential are:

—Insurance—proof of death, fraudulent claims.

—Probate and administration (of wills and estates).

—Re-marriage.

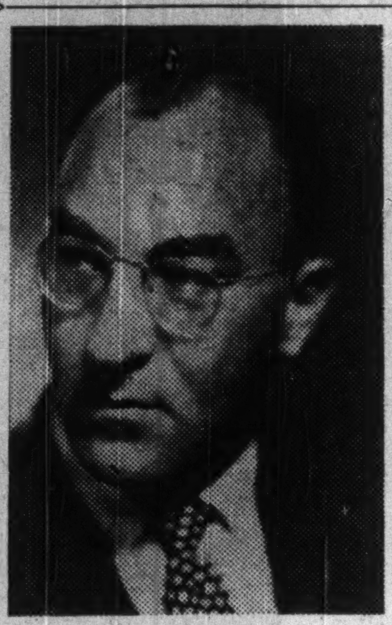
—Business relations—for example partnership, joint bank accounts (in one instance a partner was forced to borrow $6,000 to meet a payroll pending identification of his missing partner and the issue of a death certificate).

—Actions against the steamship company.

—The desire of some people, because, for example, of marital discord or criminal records, to use the disaster as a means of disappearing.

Identification of the bodies on the Noronic presented greater difficulties than any similar known tragedy on the North American continent. In the Cocoanut Grove fire in Boston, in 1942, 492 out of 1,000 people in the night club were victims. The bodies, however, were not burned to the same extent as in the Noronic and were identified in three days, mainly because they were fully clothed and carried jewelry or personal articles which led to positive identification.

The second comparable disaster was the Texas explosion Apr. 16-17, 1947, in which there were 512 dead and missing. In this instance, a large percentage of the victims died in the hospital. All were wearing clothes or carried jewelry when they were taken to the hospital or found after death in the wreckage, and these furnished sure means of identification. There were, however, some unknown transients, and sixty-three remained unidentified.



IRVING L. GREENE

has been appointed vice-president, Canadian Ice Machine Co. Ltd., Toronto.

On the Noronic most of the victims were burned beyond recognition. A great number had been in bed, in night clothes, jewelry and dentures had been removed and as a result identification had to proceed wholly on body characteristics.

Methods of identification pursued included:

—Physical examination of the bodies by relatives or friends.

—Identification of jewelry and other personal property actually found on the body.

—Identification of remnants of clothing adhering to bodies which bore some recognizable characteristics, such as a peculiar design, or embroidered initials.

—Pathological examination and histories obtained from relatives, doctors, hospitals and other sources.

—X-ray examination and comparison with previous X-rays of victims.

—Dental charts and dentures found in the bodies.

—Fingerprint comparisons.

Pathological examination. — Within a week, complete files had been set up on every deceased person, with a fairly accurate description, of personal characteristics and medical and dental histories. Post mortem examinations were made as to sex, height, age, scars, operations and teeth followed by radiological investigations including X-ray pictures of every bone in the body. All available information was obtained from relatives or friends and the details then checked with the dentist who was then able to indicate to the pathologist, which bodies were possibilities for a certain person, as well as those which could not be eliminated because of destruction of teeth by fire.

Gradually a system of elimination was evolved, indicating possibilities and exclusions. In one case where a man stated that his brother, believed among the victims had an artificial left eye, no body was found with an artificial left eye. Intensive investigation by one of the doctors, disclosed an atrophied left optic nerve which indicated that the eye had been removed some time before. This and two cystic kidneys (a complaint common in the family), and a small fragment of dental plate substantiated identification.

X-rays revealed variations in bony structures. Pictures of the pelvis were found of great value in identifying, also pictures of the spine. In one case, marks left by a fracture of the pelvis were of great assistance.

Dental identification was difficult in cases where there were no dental structures remaining. In one case only a full upper denture was available, the lower one having been destroyed by fire. The remaining denture contained a very unusual type of front tooth. In talking with relatives this was suspected to be a Mrs. K. A call to the family dentist identified the victim.

Fingerprint identification played a relatively small part. Practically all the victims were U. S. citizens whose fingerprints were unlikely to be on file in Canada. Only 20 bodies were found in such condition that any semblance of identifiable finger ridge patterns remained. Where there was any chance of obtaining or confirming identification through finger prints, the fingers were sent to the F.B.I. Value of this procedure is indicated by the fact that one male body was positively identified from the remaining physical characteristics by close relatives but fingerprint comparison, made for verification proved the identification to be a mistake and only later was the real identity revealed.

Of 108 Noronic victims requiring post mortem examination, the various methods used were successful in identifying all but three.

Standard Thread, Official Test 'Must' For New Fire Equipment

A number of new regulations designed to improve the scale of municipal fire protection in Ontario have been passed by order-in-council under authority of the provincial Fire Departments Act.

Among these regulations one states that all pumpers being purchased must be tested by the Canadian Underwriters' Association, the Canadian Standards Association, or the fire marshal. Another sets a standard thread for municipalities buying a pumper for the first time.

Here are the most important of the new requirements:

The provincial grants under the Fire Departments Act are not payable where a municipality is purchasing a secondhand pumper more than 15 years old.

The minimum standard size of a fire pumper for a municipality with a population of not more than 750 is a 150 Imperial gpm pumper at 120 lb. pressure.

For a municipality with over 750 population, the minimum standard of a pumper is 420 Imperial gpm at 120 lb.

For a municipality with a population of more than 10,000, at least one pumper shall be not less than 600 Imperial gpm at 120 lb.

For certain specified purposes for smaller municipalities or as a second pumper, a high-pressure fog pumper is accepted as the equivalent of a 420-gpm pumper.

For a township without system of water mains, the standard is a 420 gpm pumper with a water tank of not less than 300 Imperial gallons, or alternatively a 150-gpm pump with a water tank of not less than 600 Imperial gallons.

All pumpers being purchased to qualify grants must be tested by the Canadian Underwriters' Association, the Canadian Standards Association or the fire marshal.

The standard thread for 1½-in. fire hose couplings and fittings is the iron pipe standard thread of 11½ threads per inch.

For a municipality that for the first time purchases a fire pumper, the standard thread for couplings for 2½-in. fire hose is five threads an inch and 3⅛ in. outside diameter (CSA Standard 2½-in. Hose Thread).

All fire apparatus and fire fighting equipment now owned by a municipality and used exclusively for fire department purposes are deemed to meet the standards for the purpose of payments of grants under this statute.

Succession Duty Effect on Estates

In the fiscal year ended March 31, 1950, the Federal Government collected $28.5 millions from succession duties, up $3 millions from 1949 but down $2 millions from the 1948 record. Drop from 1948 was due mainly to raising the exemption on estates subject to duty to $50,000, from $5,000.

Ontario's revenue from succession duty in the year ended March 31, 1950, is estimated at $14.5 millions.

Under new regulations in Ontario, in calculating the present value of life interests and annuities a 4% interest rate is used on deaths since Jan. 1, 1950. Previous rate was 5%.

Here are approximate Ontario and federal succession duty payments based on life interest to wife aged 50 with remainder passing on her death equally to two children each over 18.

Estate $	Ont. Duty $	Dom. Duty $	Total $
50,000	nil	nil	nil
60,000	2,001	1,717	3,718
80,000	3,496	3,017	6,513
90,000	5,454	3,755	9,209
100,000	6,829	4,498	11,327

Sicks Completes Plans New Vancouver Plant

Sicks' Breweries Ltd. has completed arrangements for construction of a new $2.5-$3 million brewery in Vancouver to replace its Capilano brewery built in 1930, President G R. Whitmore announces. It will be located at the south end of Burrard St. bridge.

Final details for purchase of materials for the building have been approved by directors.

CITY OF ST. JEROME, Que., has sold $89,000 3% bonds due Jan. 1, 1951-64 and $169,500 3¼% due 1965 to Gairdner & Co., Dudley Dawson Ltd. and McTaggart, Hannaford, Birks & Gordon Ltd. for 98.937 and net cost of 3.301%. Of 1965 maturity, $161,500 will be met through 15-year renewal loan. Of proceeds, $200,000 is for arena construction, $58,500 for waterworks and sewers. Net debt at Dec. 31, 1949, was $1,406,609, mostly for public utilities. Population 17,003.

THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA

Notice is hereby given that The Alliance Insurance Company of Philadelphia, having ceased to carry on business in Canada and having reinsured its liabilities in Canada as of June 30, 1950, in the Insurance Company of North America which is registered under The Foreign Insurance Companies Act, 1932, as amended, to transact business in Canada, will apply to the Minister of Finance for the release on the 21st day of August, 1950, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 21st day of August, 1950.

Dated at Toronto, Ontario, this 15th day of May, 1950.

H. C. MILLS,
Chief Agent for Canada

United States Fidelity & Guaranty Company

CONSULT *your* AGENT OR BROKER *as you would your doctor or lawyer*

34 King Street East
TORONTO

International Crawlers and matched scrapers haul heaping payloads Here's power and equipment that scoops out big bites of earth and carries them to the fill in a hurry. Result—more dirt moved at lower cost—more profits in your pocket.

Visit your International Industrial Power Distributor, see how International Crawlers and perfectly matched earthmoving equipment will handle your jobs with ease, speed and rigid economy. You'll find International Power and matched equipment plus convenient, modern service facilities make a profit-winning combination.

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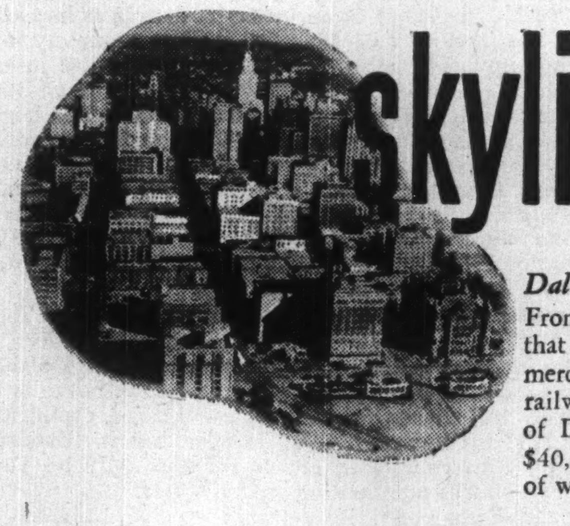
B.C. Equipment Co., Ltd., Vancouver, B.C.; J. S. Galbraith & Company, Vernon, B.C.; Central Truck & Equipment Co., Nelson, B.C.; East Kootenay Equipment Co., Cranbrook, B.C.; Territorial Supply Co., Ltd., Whitehorse, Yukon; Industrial & Road Equipment, Ltd., Calgary, Alta.; R. J. Fyfe Equipment, Regina, Sask.; Kane Equipment, Limited, Winnipeg, Man.; W. H. Marr, Limited, Kenora, Ont.; Twin City Industrial Equipment, Ltd., Port Arthur, Ont.; Reid's Garage, Limited, Fort Frances, Ontario; Soo Equipment, Limited, Sault Ste. Marie, Ont.; W. L. Ballentine Co. Ltd., Toronto, Ont.; Chas. Cusson, Limited, Montreal, Que.; Lounsbury Company, Ltd., Moncton, N.B.; J. Clark & Son, Limited, Fredericton, N.B.; Industrial Machinery Co., Ltd., Halifax, N.S.; Corner Brook Foundry and Machine Co., Ltd., Corner Brook, Newfoundland.

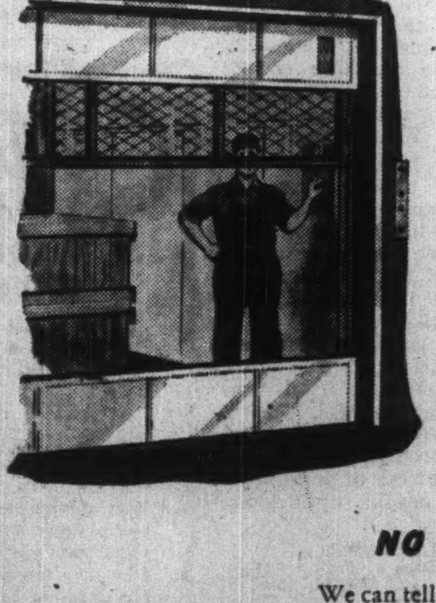


skylines... *by Otis*

Dallas, Texas, owes its spectacular growth to the "big 'D' do-how" of its citizenry. From a cedar bough trading post in 1841, Texas gumption has molded a metropolis that sparkles with feminine beauty and cosmopolitan glitter, and hums with commerce. Hub of the Southwest's richest agricultural area; headquarters for banking, railway and oil interests; and a wholesale and manufacturing center, the "City of Diversification" is equally proud of its cultural achievements. Civic-wise a $40,000,000 *Master Plan* is expanding a skyline made possible by 1,241 elevators—of which 759 are by Otis.

AT HOME OFF THE RANGE.

A sign of home welcomes cattlemen to the Herring Hotel in Amarillo, Texas. Cattle brands, from ranches of 100,000 to 1,000,000 acres, decorate the interiors of the new Otis elevators.



3 TIMES FASTER.

Otis builds power-operated freight elevator doors and gates that open simultaneously — *electrically!* Three times faster than manual operation. They speed freight schedules. Save energy. And they're available for modernized installations as well as new.

NO BIG REPAIR BILLS.

We can tell you exactly what it'll cost you — *at a flat monthly service charge* — to increase the life expectancy of your Otis elevators by more than 50% with Otis maintenance. 21 offices from coast to coast are ready to handle maintenance.

Remember, all Otis products that are sold in Canada are Canadian made in one of the world's most complete elevator plants.

Otis ELEVATOR COMPANY LIMITED
Head Offices and Works: Hamilton, Ontario

DIVIDEND NOTICES

BANK OF MONTREAL
ESTABLISHED 1817
DIVIDEND NO. 349

NOTICE is hereby given that a DIVIDEND of TWENTY-FIVE CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1950.

By Order of the Board.
GORDON R. BALL,
General Manager.

Montreal, 18th July, 1950.

BANQUE CANADIENNE NATIONALE
QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of two per cent (2%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of August, 1950. This dividend, bearing number 238, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of September 1950, to the shareholders of record on August 15, at the close of business.

By order of the Board,
CHARLES ST-PIERRE,
General Manager.

TAYLOR, PEARSON AND CARSON (CANADA) LIMITED
DIVIDEND NOTICE

Notice is hereby given that the seventeenth quarterly dividend at the rate of five per cent (5%) per annum in respect of all preferred shares of the company issued and outstanding will be paid to all holders of the preferred shares of record in the books of the company as of August 18th, 1950.

The dividend will be payable at the head office of the company on September 1st, 1950.

By Order of the Board.
J. G. FULLERTON,
Secretary-Treasurer.

Edmonton, Alberta.
August 9, 1950.

BRUCK MILLS LIMITED
Bruck

Class "A" Dividend

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 30c per share has been declared on the outstanding Class "A" shares of the Company, payable September 15, 1950 to shareholders of record as at the close of business on August 15, 1950.

Class "B" Dividend

A regular quarterly dividend of 7½c per share has been declared on the outstanding Class "B" shares of the Company, plus an extra dividend of 7½c per share both payable September 15, 1950 to shareholders of record August 15, 1950.

By Order of the Board,
H. STERN,
Secretary-Treasurer.

Montreal, Quebec,
August 4, 1950.

DONNACONA PAPER COMPANY LIMITED
DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative Convertible Redeemable Preferred shares of the Company for the quarter ending November 15, 1950, payable November 15th, 1950, to shareholders of record on the 14th day of October, 1950.

By Order of the Board.
P. L FITZGERALD, C.G.A.,
Secretary.

DONNACONA PAPER COMPANY LIMITED
DIVIDEND NOTICE

Notice is hereby given that a dividend of $0.50 per share has been declared on the No Par Value Common Stock of the Company payable October 2nd, 1950, to shareholders of record on the 1st day of September, 1950.

By Order of the Board.
P. L. FITZGERALD, C.G.A.
Secretary.

DONNACONA, P.Q.
August 2, 1950.

BELLETERRE QUEBEC MINES, LIMITED
(No Personal Liability)

Notice is hereby given that a dividend of ten cents (10c) per share in Canadian currency will be paid on September 15, 1950, to shareholders of record at the close of business August 15, 1950.

By Order of the Board.
W. B. DIX,
Treasurer.

Dated at Toronto, August 1, 1950.

Sicks'
SICKS' BREWERIES LIMITED

Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend (No. 85) of thirty cents (.30c) per share on the outstanding capital stock of the Company, has been declared, payable on the 30th day of September, 1950, to shareholders of record at the close of business on the 24th day of August, 1950.

By Order of the Board,
I. N. Wilson,
Secretary.

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Mounties Take Over: Policing of province, except St. John's, was taken over by an RCMP force of 190, including 73 rangers, 70 constables, 47 other trained men. All members of provincial police outside St. John's not taken in by the Mounties or not transferred to St. John's city police force were relieved of duty and given other employment, some in provincial Welfare dept. or Health division.

Iron, Pulp Orders Gladden: August brought an economic shot-in-arm when Britain and U. S. confirmed important new orders for iron ore and pulpwood and Premier Smallwood announced a new $3 million cement manufacturing industry for Corner Brook.

* * *

Prince Edward Is.

Make More Butter: The Island, a margarine-free area, continues to rise in butter output, even for export to provinces where the competitive product may be sold. Production in first six months, at 1,934,000 pounds is up 7% from the 1949 period. Additional cold storage soon will be available in Charlottetown with completion of a wing on the Crown-company-operated cold storage plant.

Rail Strike Threat Bothers: Islanders are worried about possible effect of Canada's threatened rail strike. It would tie up scheduled big shipments of bulk goods such as potatoes, turnips, lobsters. Alternative means of export are by air, and by truck over the Northumberland strait ferry system, neither of which is considered suitable.

* * *

Nova Scotia

"First Colony" Celebrates: Annapolis Royal, Canada's oldest settlement celebrated its 346th birthday with parades, sports events, banquets, a grand ball. Queen Annapolis, Ella Oliver of Parker's Cove and 15 princesses from as many districts held court.

Want 5-year Apple Board: "Strenuous" effort has been made recently by a group including seven of the biggest independent shippers in Annapolis valley to set up the Nova Scotia Apple Marketing Board on a 5-year basis. So said one of the independents after United Fruit Cos. surprised the industry by announcing it will take over office administration of the Apple Board for the ensuing season. United Fruit General Manager R. J. Leslie again heads the board. It was repeated refusals by United to take over administration that brought the 5-year proposal from independents.

Cabinet Ministers' Pensions: Unique in Canada, a new law to provide pensions for Nova Scotia cabinet ministers with 10 years' service or more was formally proclaimed. Each member of the government pays 8% of his salary into consolidated revenue fund as his contribution to superannuation at 60.

* * *

New Brunswick

Okay Plan for Spuds: N. B. Potato Growers' Council at annual meeting in East Florenceville endorsed new potato marketing plan effective this fall. Under it a marketing board sets price for all exported potatoes and no dealer is permitted to sell below that price. Members told of success of seed testing program now in its fourth year at the government's test plots near Miami, Fla.

Fundy Park Draws 10,000: During first week-end after formal opening of province's new Fundy National Park nearly 10,000 visitors were counted. The 80-acre Albert county site is New Brunswick's first national park.

* * *

Quebec

Thousands of Bankers: "Something like 10,000" delegates from United States, Europe and Canada are expected to be on hand at Levis, opposite Quebec City for the Aug. 24 opening of the first international conference of Popular Savings Banks and Credit Unions. Conference is sponsored by LaCaisse Populaire Desjardins, 50 years old and first savings bank of its kind in North America.

Plane Output "Doubled" — Claxton: Canada's aircraft production rate has been doubled in the first six weeks of Korea war, Defense Minister Brooke Claxton said at Montreal's Dorval airport as he watched the first of our new F-86 short range interceptor fighters streak by at 600 miles an hour. Also flown at Dorval before Government and RCAF top brass this week was the CF-100 "Canuck" experimental jet fighter. "We can work up to a figure of 500 a month," Mr. Claxton said optimistically without mentioning a time limit.

* * *

Ontario

Federal "By" Date Soon: With Hon. Milton Gregg's appointment as labor minister to succeed the late Humphrey Mitchell, way is cleared for the PM to set a date for three federal by-elections now due. Early October so far has the call of political guestimators. Prominently mentioned as Liberal candidate to seek the late Mr. Mitchell's seat for Welland county is Niagara Falls Mayor William L. Houck, who represents the Falls riding in Ontario legislature. Others mentioned: Col. James F. Swayze, Niagara Falls; Harold W. Walker, MPP, Welland; Mayor Harry Diffin, Welland; Col Harvey Hazelwood, Port Colborne; Jack Sanderson, Fort Erie. Quebec seats vacant and to figure in coinciding contests are Joliette-l'Assomption-Montcalm, where Georges Lapalme resigned to lead Quebec Liberals and Rimouski, vacated by death of Gleason Belzile.

* * *

Manitoba

8,143 Get Flood Aid: Flood-drenched Winnipeg has spent 30 times as much on fighting mosquitoes this year as it has on hospitality. A report to city finance committee on "special" city spending to date shows largest individual grant, at $10,000, to Greater Winnipeg Anti-Mosquito Campaign, out of $30,000 granted or committed so far. Property owners whose premises were damaged by the flood have until Aug. 20 to apply for repair assistance. However, damage reappraisal applications will be taken after that date. Of 9,200 applications made to July 31, grants have been awarded in 8,143 cases. Red River Valley Board, agency in charge of grant relief, already has exhausted the $12.5 millions Ottawa agreed to pay.

First Ship Unloads: Stevedores at Churchill unloaded 132 automobiles and 800 tons of cement from the British freighter Tricape, the season's first vessel to dock there. Just about "everybody in town" trooped to the wharves to greet the ship, which entered the Bay port a week earlier than any in previous years.

* * *

Saskatchewan

Saskatoon Mecca for Mayors: All Canadian provinces and 20 American cities will be represented at the Saskatoon convention Aug. 21-24 of Canadian Federation of Mayors & Municipalities. Mayor George C. Maclean of St. Boniface, Man., president of the Federation said 500 delegates are expected. Civil Defense Chief Maj.-Gen. F. F. Worthington will be one of 15 speakers.

Vote on Honey Plan: Provincial Government last week ordered a vote-by-mail this month among Saskatchewan honey producers to determine support for a proposed marketing board. The order climaxed a long series of negotiations and is first concerted official attempt to establish a producers' marketing agency for Saskatchewan honey.

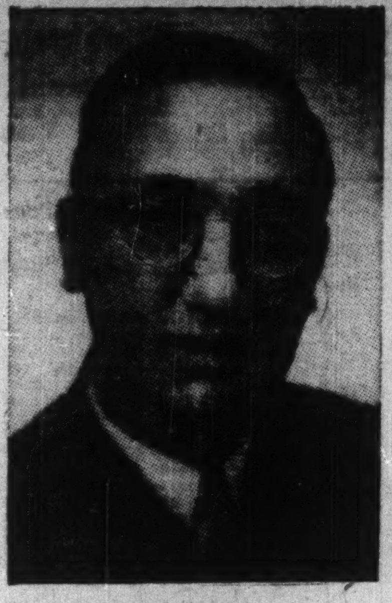
Paper Changes Hands: A new company, Prince Albert Publishers Ltd., headed by Allan Holmes, president of Moose Jaw Times-Herald and publisher of Galt Reporter in Ontario, has bought Prince Albert Daily Herald Newspaper Plant & Commercial Printing Co., controlled since 1928 by W. L. Davis of Prince Albert. Ben Floyd of Arizona and New Mexico assumes management.

* * *

Alberta

Industrial Boom Grows: Industrial expansion in Alberta in first five months is officially rated as "far and away greater" than in the 1949 period. Some 314 Canadian and 82 foreign firms were registered in the province between Jan. 1, and May 31, against 245 domestic and 68 foreign in first five months last year. Majority of firms newly registered are in manufacturing or directly tributary operation.

Rats: Alberta last week stoutly defended its position as the only rat-free region in North America. Edmonton officials armed with cyanide gas killed two "Norway" rats which arrived with a shipment of farm tools from Brantford, Ont., in boxcars which before had carried grain. Provincial Entomologist J. H. Brown sighed with relief, said: "Every rat we kill prevents the establishment of a colony here.



ERIC M. SABISTON

has been appointed president and general manager, Perth Shoe Co. Ltd., Perth, Ont. and its wholly owned subsidiary, Lockwedge Shoe Co. Ltd.

British Columbia

Jet for Passengers?: Canadian Pacific Air Lines President Grant McConachie began his Yukon speech very modestly. Months hence, he told Whitehorse Board of Trade CPAL will start a direct scheduled 4-hour service between Vancouver and Whitehorse, using standard planes. Then McConachie warmed up. Within 2½ years, he said, this run will be equipped with big jet-powered aircraft as one of the first scheduled routes of its kind on the continent. Time Vancouver-Whitehorse then will be under two hours, he said.

Grain Movement "Confused": Korea war and rail freight rate hikes are disrupting Vancouver's grain trade, brokers said. Movement of grain is in a "state of confusion" because (a) availability of ships is uncertain due to Korea mobilization, and (b) recent increase in railway rates has brought cancellation of some cargoes, one broker mentioning orders from Israel and Egypt as "all but washed out."

Salmon Fleets Full Out: More than 2,000 west-coast fishing boats converged like seagulls near the Fraser River mouth for opening of the sockeye salmon season. The fishing continues until ordered stopped by the international salmon fisheries commission. Big question: Any hope the run will equal that of 1946 when the sockeye catch was valued at $8 millions at the canneries?

OIL PRODUCTION

Alta. August Oil Output Expected to Show Rise

From Our Own Correspondent

CALGARY—Alberta's oil production for August is expected to exceed all previous records. This means something in excess of 83,259 bbls. a day produced in the week ended July 24. At that time 1,627 wells were in production.

It is believed this record could have been topped easily in the last week in July. But to balance output with market acceptances, production had to be cut back. As July closed, daily output was 81,453 bbls. from 1,644 wells.

Leduc averaged 34,282 bbls. in the latest week; Redwater 29,796 bbls.; ageing Turner Valley 9,703 bbls.; Lloydminster (Alberta section) 2,789 bbls.; Excelsior 1,168 bbls.; Stettler 749 bbls.

Redwater had 547 producing wells against 437 for Leduc-Woodbend.

* * *

Bulwark Produces

Discovery well of Canadian Fina Oil Co. in the Coronation-Bulwark area of Alberta, 125 miles northeast of Calgary, has been placed "on the pump" with output of 1½ bbls. hourly reported. Crude is 34.8 deg. API gravity and production is coming from the gun-perforated Viking formation between 2,905 and 2,965 ft. depth.

The discovery well is located about 95 miles southeast of the Joseph Lake area, Canada's first Viking oil field.

A second well in the same area, Brownfield No. 1 has set surface pipe and is down 605 ft. This will be Canadian Fina's second well under its agreement with Sun, Husky & Phillips Petroleum.

At Redwater, Canadian Fina reports a fifth and final oil well has been placed on production on ground in which the Belgian firm is interested.

Rig is also being set up for Pacific-Fina-Bradley No. 1 well on a 99,840-acre reservation in the Smith-Hondoo area of Northwestern Alberta.

* * *

Okalta Gets Well

A tenth oil success in the Leduc field has been marked up by Okalta Oils and location has been staked for a further well a quarter mile south of the latest success. The newly-staked well will be known as Okalta-Leduc No. 13 and will be south of the Okalta No. 12 well.

The Okalta-Leduc No. 12 well proved to be a success in the D3 zone. While the D2 zone showed oil and gas at this location, formation proved too tight to take production.

* * *

The Pacific group of companies reports three more successes in the Redwater field. Three rigs are being used to continue development of acreage secured by the various partners from the Crown. All three latest completions flowed oil during drillstem tests prior to completion.

* * *

122 Rigs Operating

Of 122 drilling rigs reported early this month as either operating or moving to site of operations, 68 were in proven oil fields while 54 were located in wildcat areas. Alberta dominates the list with 111 rigs active with Leduc-Woodbend area being the most active locality — 28 rigs operating. Saskatchewan has eight rigs listed as active, six on exploratory tests and two on development in the Westminster area. British Columbia has two rigs working, both on wildcats, while Manitoba has one rig on an exploratory test.

Redwater brought in 13 successful oil wells this last week. Imperial accounted for eight of these.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output, product diversity, jobs.

Conn. Chemicals

Insecticides, wax and paint sprays and small fire extinguishers will be produced in the initial section of new plant for which foundation is in on 4¾ acres in suburban East York township. Added units to be built later will bring the plant space to 48,000 sq. ft. Owner is Connecticut Chemicals (Canada) Ltd., new subsidiary jointly of Connecticut Chemical Research Corp., Bridgeport, Conn., and Lang Bros. Specialty Co., Toronto. Products will be sold in Canada under the name of Bostwick Laboratories (Canada) Ltd. East York site was bought recently through Lang Bros.

* * *

Can. Packers

Canada Packers Ltd., fertilizer and feed division, with factories in Toronto, Welland, Ont., and Montreal, will build a $500,000 fertilizer plant on five acres at Chatham, Ont., for completion in December. Site was bought four years ago. T. J. Payne is division manager. Company general manager G. A. Schell announced the project late last week.

Canada Packers meanwhile has started building a new plant in Ste. Foye suburban area of Quebec City; architect Erwin Bamberger; contractor Bergerville Estates Ltd. The building, one story and basement, is to be irregular shape with over-all dimensions of 184 by 200 feet, steel frame, and walls variously of concrete block, brick, galvanized iron sheets, cement-asbestos panels.

* * *

Auto Fabric

Auto Fabric Products Co., Montreal, baby auto seats, auto seat covers, fabric parts, baby swings and bassinettes, may enlarge its plant again after substantial expansion in 1947. J. F. Ware is president since change in control last year (The Financial Post, Dec. 3). Architect Grattan D. Thompson recently received contractors' tenders for one story extension, one half the area of the present plant, steel, concrete block and brick.

* * *

Burroughes & Watts

Burroughes & Watts (Canada) Ltd., billiard and bowling accessories, Montreal, recently received contractors' tenders for possible early building of a $50,000 new plant on Guizot St., one story and part basement, about 13,000 sq. ft., reinforced concrete frame, concrete block and brick walls. Architect is Walter Warren.

* * *

GM of Canada

Oshawa, auto-thriving central Ontario growth city of 30,000 this week saw start on construction of what will be one of Canada's biggest industrial warehouses. It's General Motors of Canada's $3 million, 7-acre new home for 500-worker "central parts distribution" setup now quartered in main plant buildings. When the warehouse is completed late next winter, the 500 will move out to make way for GMC production workers and expanded auto output (The Financial Post, April 29). Contractor is Pigott Construction Co., Hamilton and Toronto, with framework by Dominion Structural Steel, Montreal; preparatory grading, Curran & Briggs Construction, Toronto.

* * *

Toronto Grows Too

Typical of continuing expansion in Toronto area are 7 developments reviewed in Toronto Industrial Commission's monthly bulletin just out. Here's the line-up, including four new plants variously for Kraft Foods, Trane of Canada, Aladdin Industries and Connecticut Chemicals, plant extension by Minneapolis Honeywell Regulator, factory lease by Norwich Pharmacal, and manufacturing arrangement between Martin-Parry Corp's Rexair of Canada and Canadian Radio Manufacturing Corp.

* * *

Kraft Foods

Kraft Foods Ltd., Montreal, has started building 30,000 sq. ft. 1-story plant on 3 acres adjoining Toronto-Barrie dual highway under construction. President and General Manager R. J. Henderson says it will be one of the largest in Kraft's international system, equipped for processing, dry and refrigerated storage, handling and delivering of more than 100 food products including cheese, salad dressings and margarine. Served by CPR siding, plant will have a big "dock" to serve a fleet of refrigerated trucks.

* * *

Minn.-Honeywell

Expanded fabrication of automatic controls, parts machining and storage are to be housed in plant extension in suburban Leaside, construction of which has been started by Minneapolis-Honeywell Regulator Co., affiliate of Minneapolis firm of same name. For the resulting step-up in production, M-HR says it eventually will require 100 additional workers. Annex will cost about $350,000, be one-story, 30,000 sq. ft., steel and brick, with precast concrete roof deck.

* * *

Trane of Canada

Big-scale maker of heating and air-conditioning equipment, including "convector" radiators, Trane Co. of Canada recently bought 10 acres in suburban Etobicoke where it plans to build at once the initial unit of a new plant supplementing Trane's in-city works. New plant within five years will have grown to 250,000 sq. ft.; according to present tentative plan.

First unit, 40,000 sq. ft., one-story, steel, concrete and glass, will be completed about March, will require 100 workers, have CNR siding, alternate high and low bays for maximum light and ventilation. It will be equipped to mass-produce heating elements for convector radiators, and for manufacture or assembly of other Trane products. Trane is subsidiary of Trane Co., La Crosse, Wis.

* * *

Norwich Pharmacal

Norwich Pharmacal Co., Norwich, N.Y., and Toronto, has leased existing factory space in West Toronto where, next month, it will begin making and packaging pharmaceutical preparations. It's Norwich's first Canadian direct manufacturing operation. Parent plant at Norwich is on landscaped 410 acres. Company originated from a business started in 1885, now is among leaders in its field.

Grain Prices

Chicago Futures
Week to Aug. 5, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Aug. 5
		Wheat—			
2.36¼	1.86¼	Sept. ...	2.28⅜	2.23¼	2.24⅜
2.38¼	1.88¼	Dec. ...	2.31⅜	2.26⅜	2.28
2.39	2.15	Mar. ...	2.32⅞	2.27⅜	2.29⅜
2.37⅜	2.09⅜	May ...	2.31¼	2.26¼	2.26¼
		Corn—			
1.54⅞	1.17¼	Sept. ...	1.54¼	1.50¼	1.50⅛
1.48¼	1.10⅜	Dec. ...	1.46¼	1.40⅜	1.42⅜
1.51	1.31¼	Mar. ...	1.48⅜	1.43¼	1.45⅞
1.52⅜	1.34¼	May ...	1.50⅞	1.45	1.46⅞
		Oats—			
.80	.59⅜	Sept. ...	.79	.76	.76¼
.80⅞	.61¼	Dec. ...	.80	.77¼	.77⅜
.80¼	.73	Mar. ...	.79⅜	.77⅜	.77⅜
.80¼	.74¼	May ...	.79⅜	.75⅜	.76¼
		Rye—			
1.52	1.28¼	Sept. ...	1.47¼	1.38	1.40¼
1.57	1.31⅜	Dec. ...	1.52¼	1.43⅜	1.45¼
1.64	1.55¼	May ...	1.58	1.49¼	1.51⅜
		Soybeans—			
		Nov. ...	2.61⅜	2.45¼	1.49
		Jan. ...	2.64¼	2.47¼	2.51
		Mar. ...	2.66⅜	2.50	2.54
		May ...	2.68¼	2.51¼	2.56

Chicago Cash

	For Week Aug. 5 High	Low	Prev. High	Week Low
Corn—				
2 Yel.	1.57¼	1.54¼	1.57¼	1.55¼
Oats—				
1 H. Wh.	.82½	.79¼	.84	.79¼

Winnipeg Futures
Week to Aug. 5, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Aug. 5
		Oats—			
.93¼	.70¼	Oct. ...	.87⅞	.85¼	.86¼
.87¼	.78⅜	Dec. ...	.84⅜	.82⅜	.83¼
.85¼	.82	May ...	.85¼	.82	.84¼
		Barley—			
1.30⅜	1.01¼	Oct. ...	1.30⅜	1.26	1.26¼
1.25¼	1.14⅜	Dec. ...	1.25¼	1.21⅜	1.22⅜
1.25⅜	1.21	May ...	1.25⅜	1.21	1.23¼
		Rye—			
1.58⅜	1.33¼	Oct. ...	1.55⅞	1.48¼	1.51
1.56¼	1.41¼	Dec. ...	1.55	1.48¼	1.50¼
....	....	May ...	1.57⅞	1.51⅜	1.53⅜
		Flax—			
3.59¼	3.28	Oct. ...	3.48¼	3.48	3.48¼
3.45	3.44	Dec. ...	3.44	3.44	3.44

Winnipeg Cash

	For Week Aug. 5 High	Low	Prev. High	Week Low
Oats—				
2 C. W.	.96⅜	.92⅜	1.01¼	.94⅞
3 C. W.	.94¼	.91¼	.98⅜	.92¼
Barley—				
1 Feed	1.54	1.45¼	1.50⅞	1.46⅜
2 Feed	1.52	1.43¼	1.49⅞	1.44⅜
1 Malt	1.67	1.53¼	1.69⅜	1.63⅜
Rye—				
2 C. W.	1.55⅜	1.49	1.63¼	1.53⅜
Flax—				
1 C. W.	3.63¼	3.56¼	3.70	3.63

ROYALITE OIL COMPANY, LIMITED
NOTICE OF DIVIDEND No. 47.

NOTICE is hereby given that a Dividend of Six and one-half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Friday, the 18th day of August, 1950, and that the said Dividend will be payable on or after Friday, 1st day of September, 1950.

By Order of the Board.
R. D. MERCER,
Secretary-Treasurer.

Calgary, Alberta,
August 10th, 1950.

DIVIDEND NOTICES

DIVIDEND NOTICE
BRITISH AMERICAN OIL COMPANY LIMITED
PREFERRED STOCK

NOTICE is hereby given that a dividend of 23.4375c per share has been declared on the issued Preference Shares of the Company, being at the rate of Three and Three-quarters per cent (3¾%) per annum, for the third quarter ending September 30th, 1950. The above dividend is payable in Canadian Funds, October 2nd, 1950, to shareholders of record at the close of business on the 7th day of September, 1950.

H. H. BRONSDON,
Secretary.
Dated at Toronto, August 4th, 1950.

DIVIDEND NOTICE
BRITISH AMERICAN OIL COMPANY LIMITED
COMMON STOCK

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value Common stock of the Company for the third quarter ending September 30th, 1950. The above dividend is payable in Canadian Funds, October 2nd, 1950, to shareholders of record at the close of business on the 7th day of September, 1950.

H. H. BRONSDON,
Secretary.
Dated at Toronto, August 4th, 1950.

VIRGINIA DARE LIMITED
DIVIDEND NOTICE
PREFERENCE SHARES

A dividend of Thirty-one and one-quarter Cents (31¼c) per share on the 5% Cumulative Redeemable Preference Shares of the Company has been declared for the three months ending September 1st, 1950, payable on September 1st, 1950, to Shareholders of record August 17th, 1950.

By Order of the Board.
G. I. TAYLOR,
Secretary.
Toronto, July 19, 1950.

Auto Electric Service Company, Limited

Class "A" Shares—Dividend No. 14
Notice is hereby given that a dividend of 12½ cents per share on the Class "A" Shares of the Company has been declared payable on and after September 15th, 1950, to Shareholders of record at the close of business on August 18th, 1950.

Common Shares—Dividend No. 11
Notice is hereby given that a dividend of 10 cents per share upon the no par value Common Shares of the Company, has been declared payable on and after September 15th, 1950, to Shareholders of record at the close of business on August 18th, 1950.

By Order of the Board.
A. KERR,
Secretary-Treasurer.
Dated at Toronto, Ontario,
August 3rd, 1950.

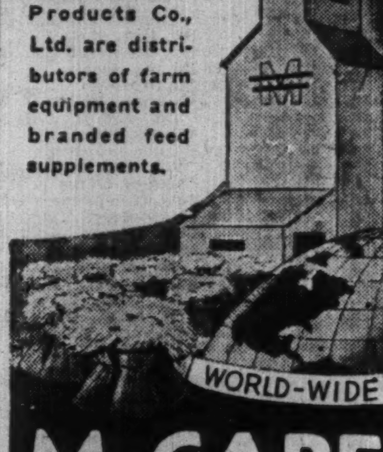
WESTEEL PRODUCTS LIMITED
DIVIDEND NO. 22

Notice is hereby given that a quarterly Dividend of twenty cents per Share has been declared on the outstanding Capital Stock of the Company (being 472,604 common shares without nominal or par value as subdivided by Special By-Law No. 14, confirmed by Supplementary Letters Patent, dated 24th day of July, 1950) to be payable in Canadian Funds on the 15th day of September, 1950, to Shareholders of record at the close of business on August 22nd, 1950.

By Order of the Board.
P. F. FOWLE,
Secretary-Treasurer.
Toronto, August 8th, 1950.

McCABE
COMPLETE WORLD-WIDE FACILITIES

Manufacturers of famous "Victoria" livestock feeds . . . specialists in forage and pea seeds . . . offering complete grain and seed handling facilities, McCabe's provide "Canada's Most Complete Farm Service." Victoria Products Co., Ltd. are distributors of farm equipment and branded feed supplements.



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BRANCH OFFICES
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LIMITED
Grain Merchants Shippers and Exporters
HEAD OFFICE
WINNIPEG, MANITOBA
OFFICES THROUGHOUT CANADA

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Winnipeg, Calgary and Montreal and Toronto Vancouver

WEEK ENDING AUGUST 4

Range 1950 High	Low	Div R'te $	Aug 4 Y'ld %	Company	Sales	Last July 28	Week end. Aug. 4 H	L	Cl'se
33¼	21¼	2.00	6.1	Abitibi	29491	30¾	33¼	30¾	32¾
24¾	22	1.50	6.1	Do. $1.50 pf.	6075	23¾	24¼	23¾	24¼
25½	21	1.00+†.70		Acadia Atlan A	225	22	23	21½	23
105½	100½	5.00	4.8	Do. 5% pref.	5	105½	104½	104½	104½
13	6	▪.50	...	Acme Glove	25	6	8	8	8
9½	7	1.60	6.3	Agnew Surp.	335	9½	9½	9½	9½
1.80	1.45	.	...	Alberta Dist.	800	1.65	1.65	1.60	1.65
19	13¾	.	...	Algoma Steel	7297	16½	18¾	16¾	18¼

Range 1950 High	Low	Div R'te $	Aug 4 Y'ld %	Company	Sales	Last July 28	Week end. Aug. 4 H	L	Cl'se
10¾	8¼	.50	5.9	Gor MacKay A	250	8¼	8¼	8¼	8¼
18	15	1.00	6.7	Do. (B)	25	17	15	15	15
22	14¼	†.80		Gt. Lakes Pap.	4800	18¼	20¼	18¾	20¾
46½	40	2.50	5.7	Do. A pref.	110	43	44	43¾	44
26	19¼	1.50	7.8	Gt. West Coal.	325	20	19¾	19¼	19¼
13	9¾	.	...	Gt W. Saddlery	195	10	13	12	13
21	16½	1.40	7.8	Gypsum Lime.	2175	17½	18	17¾	18
25	14	†.30+4.20		Hahn Brass	25	14¼	15½	15½	15½
15¾	10	.50+†.25		Ham. Bridge	820	11¼	11¾	11¼	11¼

Mining Stocks

Range 1950 High	Low	Div. Rate $	Aug. 4 Yield %	Company	Sales	Last July 28	Week Ending Aug. 4 High	Low	Close
.55½	.21	.....	....	Acadia Uran.	10,375	.44	.46	.40	.44
1.75	.72	.....	....	Akaitcho	800	1.05	1.05	1.05	1.05
.49	.15	.....	....	Amal. Lard	1,100	.19½	.20	.20	.20
.65	.43	.....	....	Amer. Neph	500	.43	.49	.49	.49
.14½	.03	.....	....	Amer. Y.K.	8,500	.08	.07	.06	.06
5.00	.48	§§Dist.	....	Anacon L'd.	93,300	1.60	1.76	1.50	1.70

Oil Stocks

Range 1950 High	Low	Div. Rate	Aug. 4 Yield %	Company	Sales	Last July 28	Week Ending Aug. 4 High	Low	Close
.16½	.08	.....	....	N. Exten	2,000	.12	.11	.11	.11
2.30	1.00	§‡.10	....	Okalta	6,100	1.64	1.82	1.60	1.82
7.50	4.20	§.05	....	Pac. Pete	20,610	5.85	6.00	5.75	5.85
.60	.17	.....	....	Pan West.	25,600	.38	.38	.35	.36
.06½	.03½	.....	....	Phillips P.	26,900	.05½	.05¼	.05	.05¼
.62	.07½	.....	....	Picc'y Pet.	185,506	.36	.40	.33	.35
4.00	2.75	.....	....	Polaris	700	3.25	3.10	3.00	3.10
.85	.32½	.....	....	Princess P.	17,100	.55	.57	.54	.57
.45	.28	.....	....	Redwater L.	21,900	.38	.39	.37	.39
.60	.34	.....	....	Reef. Pet.	19,200	.40	.44	.37	.40
.51½	.25	.....	....	Roxana	16,800	.33	.33½	.30	.30
.14½	.05	.....	....	Royal Can.	15,000	.08½	.07¾	.07	.07½
15.50	8.80	†.13	....	Royalite	2,585	12.25	12.37½	12.00	12.37½
.14	.05¾	.....	....	Share Oils	11,440	.09¾	.09¾	.08	.09¾
.18	.09¾	*.01	....	So. Brazeau	18,800	.12	.14	.12	.12
.48	.25	.....	....	So. West Pete	1,500	.40	.44	.40	.44
.62	.15	.....	....	Spooner	7,400	.43	.42	.40	.41
.46	.15	§.01½	....	Sunset	5,300	.35	.36	.35	.36
1.20	.40	.....	....	Superior	24,550	.78	.78	.75	.78
.80	.24	.....	....	Tower Pet.	27,500	.45	.46	.42	.45
.66	.18	.....	....	United Oils.	1,775	.42½	.45	.40	.41
.48	.20	.....	....	Vulcan	27	.24¾	.30	.30	.30
.30	.07	.....	....	York Oils	500	.17	.17	.17	.17

* N. Y. Funds. ▪ Extra. * Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950. §§ sh. of Montauban Mines for every 10 shs. held.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Aug. 7	179,300	....	99,054	138,690	2,280,000
Aug. 5	....	....	....	....	....
Aug. 4	213,800	687,000	125,595	111,156	1,980,000
Aug. 3	215,300	614,000	93,000	139,524	2,080,000
Aug. 2	215,200	663,000	56,575	112,128	2,410,000
Aug 1	293,900	644,000	125,570	81,326	2,430,000

BUSINESS BAROMETERS

GOVERNMENT FINANCE (millions of $)	JULY	JUNE	MAY	APR.	Year Ago
Dom. total expend.	....	....	156.9	88.0	155.6
Dom. total revenue	....	....	273.1	166.1	301.4
MERCHANDISING					
▪Dept. store sales (3) (July 29)	....	+12	+3	—3.8	....
Country store sales (3)	....	....	+6	—11.5	....
▪Retail store sales (3)	....	+3	+3	—3.8	....
▪Wholesale sales index (1)	....	....	320.9	278.9	303.0
FINANCE					
▪Dividend payment index (1) (5)	213.5	212.0	209.7	210.3	213.1
Money supply (millions $)	....	....	4,479	4,483	4,155
NEWSPRINT CAPACITY					
Production ratio (7)	....	101.2	100.4	100.1	103.0
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	235.1	218.4	196.9	199.0
Cars (D.B.S.) (1)	....	171.9	167.5	148.8	156.0
COST OF LIVING					
▪D.B.S (1)	167.5	165.4	164.0	164.0	160.5
EMPLOYMENT INDEX					
All industries (6)	....	196.1	188.1	187.6	194.3
Payrolls (June 1/41=100) (2)	....	....	215.7	214.2	207.3
MANUFACTURING					
Inventories (1947=100)	....	....	....	128.0	130.2
Employment (6)	....	....	....	200.2	203.0

	1950	1949	1950 Jan. 1 to date	1949 Jan. 1 to date	% Change
RAILWAYS (000's omitted)					
▪Carloadings (week July 29)	81.1	73.5	2,186	2,170	+0.7
C.N.R. gross rev (June)	47,770	40,589	255,953	236,774	+8.1
C.N.R. net rev. (June)	6,553	886	16,494	950	....
C.P.R. gross rev. (June)	32,323	29,069	177,305	175,336	+1.2
C.P.R. (net rev.) (June)	3 439	511	9,148	2,989	+206
IRON AND STEEL PRODUCTION (000's omitted) (May)					
Pig iron production (tons)	196	202	904	941	—3.9
Steel production (tons)	291	293	1,413	1,406	+0.5
CONSTRUCTION (000's omitted)					
▪Contracts awarded (June) ($)	164,651	102,388	586,084	488,839	+19.9
Cement prod. bbls. (May)	1,445	1,378	6,382	6,218	+2.6
AGRICULTURE (000's omitted)					
Flour exp., bbls. (June)	893	682	5,268	4,830	+9.1
Wheat exp., bush. (June)	19,851	21,782	76,709	96,363	+21.1
Cattle sales (June) (4)	109.5	114.7	604.7	618.6	+2.3
Hog sales (June)	429.9	335.2	2,529	2,049	+2.3
SEA FISHERIES (000,000's omitted)					
Catch, lb. (May)	147.0	126.9	399.4	351.0	+13.8
Landed value (May)	8.3	6.5	16.1	13.6	+17.9
NEWSPRINT (000's omitted)					
Production (June) (7)	441	437	2,592	2,606	—0.5
Exports, tons (June) (7)	441	448	2,553	2,551	+0.1
MINING AND OILS (000's omitted)					
Coal prod. (tons) (June)	1,341	1,327	9,389	9,127	+8
Gold prod. (fine oz.) (Apr.)	370	327	1,457	1,287	+13.2
▪Petroleum prod. (bbl.) (Apr.)	2,045	1,845	8,384	6,393	+3.1
ELECTRICAL POWER OUTPUT (000,000 omitted) (May)					
Total monthly kw.h	4,417	4,271	20,499	19,444	+5.4
FOREIGN TRADE (millions of $)					
Imports (June)	283	251	1,454	1,409	+3.2
Exports (June)	292	257	1,433	1,425	+5.6
FINANCE (millions of $)					
Bank debits (May) (8)	7,990	6,915	36,470	33,954	+7.4
▪Bond sales (June)	277.0	247.7	3,368.3	1,922.0	+7.5
Life insurance sales (May)	110.7	106.8	530.0	520.3	+1.9
OTHER INDUSTRIAL FACTORS					
▪Shoe prod. (May)	2,821	3,247	14,075	15,420	—8.7
Cigarette cons. (000,000) (June)	1,643	1,577	9,115	8,293	+0.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April, 1949, only.
▪New item this week.

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Aug. 8, 1950

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954	102½	102¾
3	Nov. 1956	102¾	103
3	May 1957	102	102½
3	Jan. 1959	102	102½
3	June 1960	102	102½
3	Feb. 1962	101¾	102¾
1¾	Nov. 1950	99¾	100
3	Oct. 1963	101¾	102¾
3	Sept. 1966	101¾	102¾
Dom. of Can. Bonds:			
3	June 1958	101¾	102
3¼	Feb. 1952	102	102½
3¼	June 1966	103	103½
3	Perpetual	†101½	102
2¾	June 1968	99¾	100
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101¾	101¾
4½	Feb. 1956	▪121½	123
4½	July 1957	♦123¾	125½
5	Feb. 1954	108¼	108¾
4¾	June 1955	▪121¼	122¾
2¾	Jan. 1967	99	99¾
2¾	Sept. 1969	99¾	100½
3	Jan. 1966	101½	102½
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪121¼	122¾
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪112½	114½
4	Jan. 1962	▪124½	126½

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57	100½	101½
British Columbia:			
4½	Jan. 1969	♦134	136
5	Sept. 1953	106¼	107¾
3	Dec. 1960	99½	100½
3	June 1964	99	100
5	Sept. 1959	♦127¾	129¾
B. C. Power Comm.:			
3	Oct. 1967	98½	99½
Manitoba:			
4	Dec. 1957	♦118	120
4½	Dec. 1956	♦119¾	121¾
5	Dec. 1959	▪127¾	129¾
5½	July 1958	116½	118
3	Oct. 1965	99	100½
New Brunswick:			
4½	Apr. 1961	♦118½	120½
2¾	June 1966	89	90
3¼	May 1957	99¼	100
3½	Sept. 1965	98¼	99¼
Nova Scotia:			
3¼	June 1956	102	103
4½	Nov. 1960	♦124	126
5	Mar. 1960	♦127¾	129¾
3	June 1956/58	100½	101½
2¾	Sept. 1966	95	96
3¼	June 1963/65	101	102

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	96½	97½
3¼	May 1952/55	101¼	101¾
4	June 1962	▪122¾	124¾
4½	Jan. 1962	♦127¾	129¾
2¾	July 1967/76	95	97
3	Nov. 1963/65	101¼	101
5	May 1959	▪129	131
Ont. Hydro Commission:			
4	Aug. 1957	▪117½	119½
2¾	Oct. 1965/68	96½	97½
3	Dec. 1963/65	100½	101½
3	Nov. 1967/69	99¼	100
Prince Edward Island:			
3¼	Dec. 1961	101¼	102¼
Quebec:			
3¼	Mar. 1954/59	102¾	103½
3¾	Feb. 1952/55	102	102¾
4¼	Aug. 1958	108	109
4½	Jan. 1963	113½	114½
4	Nov. 1950/52	100½	101½
3	Sept. 1962/64	100	101
Quebec Hydro Commission:			
3	Feb. 1969/73	99¼	100
3	Dec. 1958/60	100½	101½
Saskatchewan:			
4	Nov. 1955/60	101½	102¾
5	Aug. 1958	108	110
4½	Mar. 1960	♦120¾	122¾
5½	Oct. 1952	104¼	105¼
6	Mar. 1952	104¼	105¼
5	Dec. 1959	♦125½	127½
3	Mar. 1963	94½	96
3¼	Nov. 1960/62	96	97½
3¾	Oct. 1962/65	101½	102½

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y. ▪Payable Can., N. Y. or £.

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Aug. 4 Bid	Ask
Do. B	.40	5	4¼	5
Sterling Coal	..	10	10	12½
Sterling Trust	6.00	122¾	120	..
Stovel Press pref.	.50	4.00	3.85	4.00
Stowell A pref.	1.50	19½	15	19½

	Div. Rate $	Last sale	Aug. 4 Bid	Ask
Jack Waite	†.10	.13	.12½	.13
Kerr Lake	*§.05	.21	.20	..
Lapaska	...	.05	.03½	.05
Lencourt	...	.05½	.05	..
Lexindin	...	.05	.06	..

—OIL STOCKS—

	Div. Rate	Last sale	Aug. 4 Bid	Ask
Oil Selections	...	.03¾	..	.05
Petrol Oil	†.02	.13	.18½	..
Richfield	...	.04½	.03½	.05
Royal Crest	...	.08½	.08¾	..
Texas Can.	▴♦1.85	.50	.30	..
Three Point	...	.07	.07	..
Turner V.	...	.14	.14	.27
Vanalta	...	.35	.31	.35
Vul. Brown	...	.25	..	..
Warner	...	.03	.03	.03½

▴Paid or payable in 1949. ♦Paid in 1948. *N. Y. funds. †Payable in 1950. ♦Capital distribution.

STOCKS NOT TRADED THIS WEEK

Mining Stocks

Municipal Bonds

Aug. 8, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99½	101½	3.87
Vancouver	3¾	'69	100	102	3.60
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99	101½	3.38
Regina	3	'64	93	95	3.43
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	97½	99½	3.04
Ottawa	3¼	'68	102	104	2.95
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	94	96½	3.23
Quebec	3½	'64	100	102	3.34
Halifax	3	'66	95	97½	3.20
Saint John	3½	'65	99½	102	3.33

Investment Trust

	Bid	Asked
Affiliated Funds	4.30	4.65
Can. Invest. Fund	5.15	5.65
Corporate Invest.	9.20	9.95
Commonwealth Int.	3.92	4.31
Investors Mutual	5.11	5.53
Leverage Fund	2.85	3.13
Mut. A Funds	9.73	10.45
Trans-Canada	14.95	....
Do. B	15.85	16.90

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	65.2	61.1
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
Feb.	229.9	291.7	86.1	80.5	236.9	123.2	355.8	169.7	116.5	143.0	125.2	118.3
Mar.	241.5	304.9	83.3	80.3	245.7	119.1	371.7	168.9	121.9	142.9	126.8	118.7
Apr.	250.4	326.2	85.6	93.3	247.4	120.6	394.5	174.8	127.2	144.4	132.2	125.9
May	270.1	352.8	86.5	94.9	263.8	122.3	383.5	177.0	125.4	146.1	131.2	128.7
1950: Weekly Figures:												
June 1	272.3	365.2	86.6	95.6	285.2	122.9	380.3	179.0	125.3	147.2	132.5	130.7
June 8	280.2	364.6	86.5	96.2	262.4	122.5	381.3	180.3	130.1	150.7	134.6	131.6
June 15	288.5	367.7	85.1	98.5	263.1	124.6	393.5	181.9	131.2	150.4	139.0	133.7
June 22	290.4	367.7	86.7	99.0	262.6	125.3	393.3	187.0	131.2	150.5	139.0	134.3
June 29	268.9	337.9	81.7	89.7	241.6	120.5	361.3	173.8	119.4	145.5	127.8	129.8
July 6	267.1	327.8	81.7	86.3	235.2	119.6	354.1	169.6	116.0	146.7	126.2	122.1
July 13	266.7	317.4	81.1	83.3	225.6	116.9	335.4	161.7	112.6	144.4	122.9	119.3
July 20	281.4	333.4	82.5	91.0	246.2	119.2	363.7	171.1	119.5	145.2	130.3	126.7
July 27	293.6	343.0	82.3	96.7	248.2	117.8	366.8	169.9	118.2	144.7	130.1	129.2
Aug. 3	295.7	360.1	83.6	97.7	250.5	120.1	369.5	172.9	119.6	144.6	131.2	130.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	15 B.M.	15 W.O.
Aug. 7	.....	.....	.....	.....
Aug. 5	.....	.....	.....	.....
Aug. 4	237.31	79.31	124.20	77.36
Aug. 3	235.97	78.72	123.41	75.75
Aug. 2	234.66	75.94	122.93	75.93
Aug. 1	234.43	75.88	123.88	76.00
Month ago	223.27	79.53	111.33	73.38
Year ago	173.81	105.00	100.58	43.56
1950 High	247.45	101.15	125.10	90.56
1950 Low	203.27	69.47	104.35	58.45

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Aug. 7	77.8	153.1	128.0	484.50	52.70
Aug. 5	....	....	....	.....	....
Aug. 4	77.9	152.1	127.4	480.02	52.68
Aug. 3	77.5	150.6	126.2	475.13	52.66
Aug. 2	77.7	150.1	125.9	471.15	52.32
Aug. 1	78.0	150.1	126.1	469.56	51.75
Month ago	77.6	141.8	120.4	443.74	55.13
Year ago	71.8	120.4	104.2	274.29	68.81
1950 High	86.4	159.3	134.6	503.99	68.87
1950 Low	74.5	138.0	117.2	355.89	50.97

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 7	215.82	62.85	38.33	77.34
Aug. 5	.....	.....	.....	.....
Aug. 4	212.66	61.78	38.14	76.28
Aug. 3	211.26	61.20	38.02	75.76
Aug. 2	211.26	60.76	38.09	75.64
Aug. 1	211.87	61.27	38.04	75.92
Month ago	208.10	52.95	40.22	73.14
Year ago	180.54	47.07	36.80	64.45
1950 High	228.38	62.85	44.26	79.71
1950 Low	196.81	51.24	37.40	70.34

Unlisted Stocks

(Compiled from quotations by Intercity Securities Ltd., Toronto and Kippen & Co., Montreal)

Aug. 4, 1950

	Bid	Ask
Acme Glove pfd.	18.50	....
Allens Toronto units	41.00	....
Anglo-Can. Telephone A	10.50	11.50
Ash Temple	4.75	5.50
Ashdown Hardware B	14.00	15.00
Beauharnois L. H. & Pwr.	21.00	22.25
Brand & Millen	.27	.33
British Mtge. & Trust	195.00	....
B. C. Sugar	90.00	93.00
Can. General Invest.	19.50	20.25
Can. Motor Lamp	13.00	....
Can. West. Nat. Gas com.	60.00	....
Do. pfd.	19.00	20.75
Capital Wire Cloth com.	14.25	....
Carlton Club	27.50	....
Chase, A. W. units	53.00	....
Colonial Steamships com.	135.00	....
Commercial Finance com.	20.00	....
Commercial Life 10% paid	10.75	....
Continental Life 20% paid	45.00	....
Detroit Intl. Bridge	14.50	16.00
Dover Industries Ltd.	9.00	9.75
Dunlop Tire pfd.	24.00	25.00
Empire Life Ins. 25% paid	17.00	19.00
Galt Brass com.	32.00	....
Goderich Elevator & Trans.	14.75	15.75
Great West Life	455.00	475.00
Guardian Realty pfd.	55.00	....
Husky Oil & Ref.	3.00	4.00
Kop Beverages	.55	.65
Lambton Golf	....	150.00
Lambton Loan & Inv. $50 p.	85.00	....
Manufacturers Life Ins.	360.00	....
Medical Arts	35.00	40.00
Monarch Life Assoc. 40% p.	136.00	144.00
Mountainview Apts. pfd.	28.00	....
Niagara Lower Arch Bridge	57.00	61.00
Northern Tel com.	1.35	1.60
Oakville Golf	20.00	21.00
Peller Brewing com.	1.00	1.50
Do. pfd.	11.00	12.75
Reliance Pet. pfd.	42.00	45.00
Ritchie Cut Stone pfd.	8.75	....
Rosedale Golf	140.00	....
Sawyer Massey com.	.75	....
Seiberling Rubber com.	5.50	7.50
Sincennes McNaught. Tugs	2.00	3.00
Sovereign Life 25% paid	55.00	62.00
Standard Fuel pfd.	37.00	39.00
Do. com.	3.00	5.00
Summit Golf	12.00	....
Third Can. Gen. Inv.	4.10	4.40
United Farmers Co-op.	2.00	....
United Co-op's Ont. pfd.	2.00	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Savings	150.00	....
Waterloo Manuf. com.	6.00	6.75
Waterloo Trust & Savings	124.00	128.00
Western Assurance com.	75.00	....
Western Grain com.	1.50	2.00
Do. pfd.	60.00	64.00

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atlan. Sug. A	.25	Oct. 2	Sep. 11
Do. pfd.	1.25	Sep. 15	Aug. 21
Agnew Surpass	.15	Sep. 1	July 31
Aluminium Ltd.	.75	Sep. 5	Aug. 11
Aluminum Co. pf.	.25	Sep. 1	Aug. 2
Anglo-Can. Tel. A	.15	Sep. 1	Aug. 10
[illegible]	[illegible]	[illegible]	[illegible]

Dividends Declared (con'd)

	This payment $	Date payable	Date of record
Massey-Harris	.37½	Sep. 15	Aug. 19
Do. pfd.	.62½	Sep. 15	Aug. 19
McIntyre Porc.	.54½	Sep. 1	Aug. 1
Milton Brick	.05	Aug. 15	July 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Mtl. Locomotive	.40	Oct. 2	Sep. 6
Moore Corp.	.75	Oct. 2	Aug. 31
Do. 4% pfd.	.25	Oct. 2	Aug. 31
Do. A & B pfd.	†1.75	Oct. 2	Aug. 31
H. Morgan pfd.	1.19	Sep. 1	Aug. 15
Nat. Drug	.12½	Sep. 1	Aug. 11
Do. pfd.	.15	Sep. 1	Aug. 1
[illegible]	[illegible]	[illegible]	[illegible]
United Corp. A	.38	Aug. 31	July 31
Do. B	.25+.05	Oct. 2	Sep. 8
United Fuel pfd. A	.75	Sep. 1	July 22
United Grain A	1.00	Sep. 1	July 22
Do. B	1.00	Sep. 29	Sep. 15
United Steel	.15	Nov. 1	Oct. 18
Do. pfd.	.75	Aug. 15	Aug. 1
Universal Cooler pf.	1.50	Sep. 15	Sep. 1
Viceroy Mfg.	.20	Sep. 1	Aug. 17
Virginia Dare pfd.	.31½	Aug. 1	......
Vulcan I. & Eng. pf.	.25	Sep. 11	Aug. 10
Waite Amulet	.25	Aug. 15	July 29
Waterous Ltd. A	.20	Sep. 1	July 31
West. Can. Brew.	.25	Sep. 1	Aug. 15
Geo. Weston pfd.	1.12½	Sep. 1	†Extra.

†American funds. *Initial. †Extra.
*Cash div. is payable on all shs. outstanding including those to be issuable on the stock divd.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$27.85	$28.53	$20.88
Hogs	31.35	31.10	32.60
Copper, lb.	.22½	.22½	.17⅝
Sugar, raw, lb.	.0565	.0555	.0530
Coffee, lb.	.54½	.53½	.27⅞
Hides	.30	.27½	.22½
Weekly Indices			
U. S. Labor	165.1	163.7	152.6
Dow Jones	177.34	188.27	130.63
Fisher's	173.4	172.2	161.0
Monthly Indices			
Retail (June)†	165.4	164.0	160.5
W'sale (May)	161.8	160.1	156.4
U. S. (Apr.)	152.9	152.7	156.9
Gt. Brit. (Apr.)	249.8	245.4	226.5

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡Traders Fin. conv. s.f. debs. ‡$47,500.	4%	1964	Aug. 15	102.75

LAGUERRE GOLD MINES reports that subject to ratification by shareholders and to issue of supplementary letters patent changing company's name and reorganizing capital structure on basis of one new share for each two old and in increase in authorized capital to four million shares, Williams Share Corp. has underwritten 400,000 new shares at 17½c a share, payable as to 200,000 upon issue of supplementary letters patent and balance in 30 days and has optioned 200,000 share blocks at 22½, 27½ and 32½ cents a share, exercisable to the extent of at least $10,000 within four months and $10,000 a month thereafter, with entire option to be exercised within 18 months.

Market Comment

What stocks and bonds are doing and what prominent observers say

Toronto Stock Exchange industrial index by midweek had just about regained all of its Korean-inspired market loss; the Dow-Jones industrial average had won back 66% of its drop. The rapid comeback has been spearheaded by a handful of issues in the steel, machinery, oil and railway groups and is not representative of a broad general market rise.

Outlook for continued high business volume for some time to come, bolstered by buying for military account has been a big factor in the market rise in key issues. Announcement of heavy U. S. spending on raw materials in Canada injected fresh strength into the base metal group this week sending the Toronto index to a 7-year high.

Growing indications that no excess profits tax will be clamped on business this year helped clear the business atmosphere considerably this week both here and in the U. S. It is felt likely that Ottawa will take its cue from Washington on this highly controversial tax issue. High U. S. Government officials have reiterated, however, that such a move will be made early in 1951 and that even then it will be in time to tap some of the early business profits accruing from war orders.

* * *

A. G PLAXTON: Intercity Securities Corp. (Toronto)

The speed and extent of the recovery in security prices, with leading stocks such as International Paper, Smelters, Nickel and Ford making new highs for the year, suggests that still higher prices are ahead. Whether or not a major war breaks out we will have a war economy for some time with large orders for our heavy industries and producers of basic materials.

The outlook for Western Oil stocks looks especially favorable. Completion of the pipeline this fall will enable increased production and development of the field will be intensified by war needs. In addition, the companies seem to be well situated in regard to taxation with heavy write-offs allowed.

The future for base metals and papers also looks bright.

* * *

CRABTREE & McLAUGHLIN (Montreal)

Until there is more evidence of consolidation of recent gains, discretion may be the better part of valor with regard to following this rally which is beginning to look a little tired from a short-term standpoint. There is nothing sacrosanct about the recent lows and bad news could conceivably cause them to be violated for a time. That would naturally call for a fresh appraisal. But on any decline towards those lows it seems important that investors should inquire searchingly into how much further stocks would have to decline to discount the worst when they are already selling on virtually a bear market bottom basis statistically, yielding 2¼ times as much as top-grade bonds, with dividends earned roughly twice over on the average, and when the long-range pressures are pointing so irresistably to more inflation. Technically, the chances look good that the reaction has already touched its low at 195.40 for the industrials and 50.66 for the rails, while some consolidating action moderately below present levels could straighten the base enough to extend the recovery further in due course.

* * *

HUGH MACKAY & CO. (Saint John, N.B.)

Under a war economy, either "total" or partial, it is logical to state that some companies will stand up better than others. For instance, companies whose earnings change little from year to year, will find net per share adversely affected by increased corporate taxation. Other companies, supplying the armed forces in one form or another, will find their earnings trend upward — subject of course, to the effect of a future excess profits tax. To be more specific, in view of the inflationary aspect of things, we notice investors giving attention to a review of their holdings with the object of making sure they have some potentially larger dividend payers in their portfolios, to offset the decline in "real" income from their fixed income bearing securities. For some companies, there is little chance for a dividend increase; therefore it would seem logical for those investors who are too heavily concentrated in fixed-income type securities to give some thought to seeking at least partial representation in companies in which there is reasonable hope for increased dividend rates. Portfolios should be reviewed with the object of having included in one's holdings "inflation-type" securities, to act as a possible hedge against the apparent prospect of a future decline in the purchasing value of the dollar.

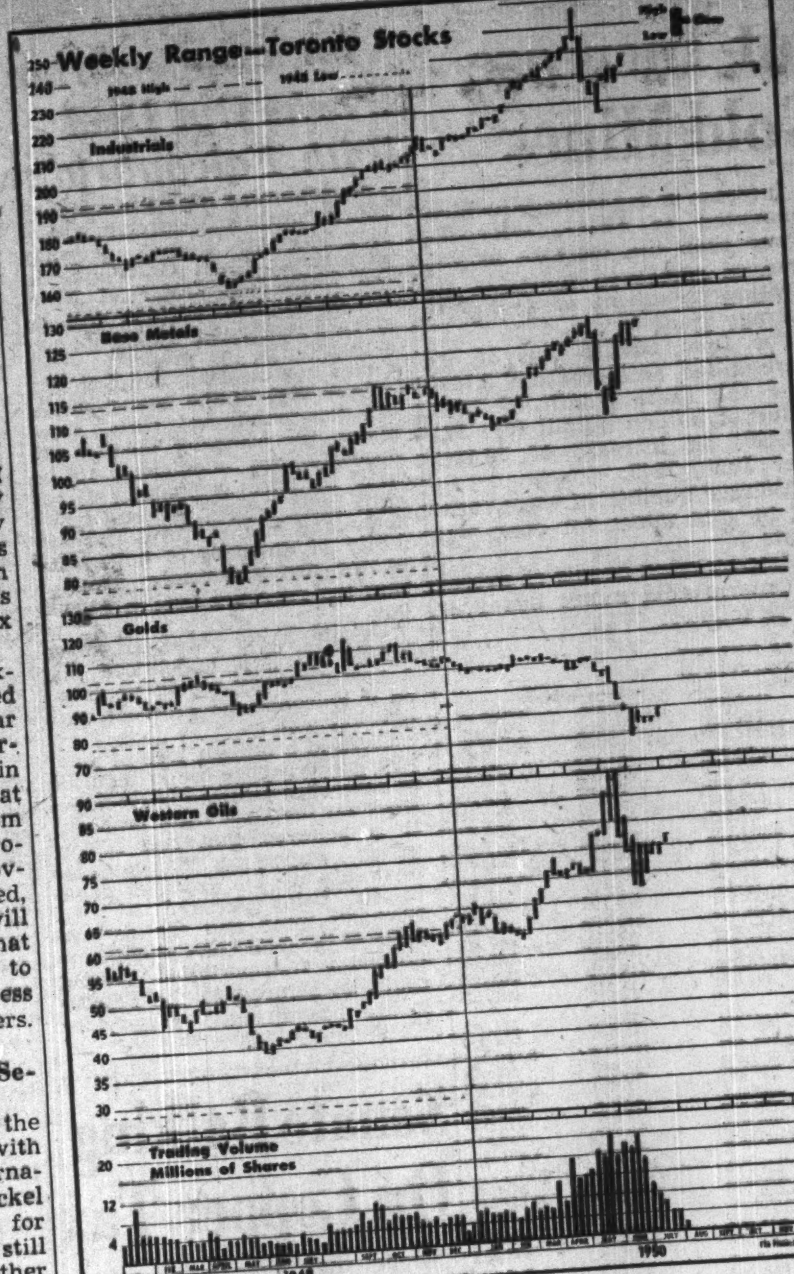
* * *

BARRON'S: The Trader (New York)

General business is now beginning to feel in earnest the effects of the Korean military requirements and the stepped-up re-armament program. On a cumulative basis, new buying is at the highest level since early June, 1945, roughly 2½ months before V-J day. The record of incoming orders already confirms the anticipated intensification of the business boom to result from the huge new military appropriations . . . Certainly to date demands of war and rearmament have caused no dislocation to the flourishing sections of the civilian economy . . . From all indications, record operations (in the motor industry) will continue until there is a definite sharp cut in steel or other essential supplies.

With war needs underwriting a business boom of almost indefinite duration, and with the civilian economy still at concert pitch, the only brake upon expanding corporate profits is obviously higher federal taxes . . . Regardless of the imminent threat of higher taxes — notwithstanding a belief that greater revenue could be secured from a sensible law on renegotiation of government contracts and from higher income taxes — the upward march of dividends continues . . . In most instances, the latest dividends are still notably moderate in relation to earning power . . . While huge railroad earnings may have mildly reflected a war-time stimulation of traffic, July results in any number of cases will reveal an expansion of earnings that, comparative with the recession low of 1949, will be little short of spectacular.

* * *



Unlisted Mines, Oils

Approximate Quotations Over-the-counter Mining Stocks as of July 31, 1950 (Subject to Confirmation and Change)

	Bid	Ask
Abenakis	2½	4
Abino	4	..
Ace Yk	2	3
Adanac Que	½	1½
Addington	2	..
Admiral Yk	1	5
Adnaron	1½	3
Adv RL	2	3
Alcan Yk	1	3
Aldermac	1	..
Alex RL	3	4
Aljo	½	1½
Amal Kirk	4	5
Amax	35	40
Amber	½	1½
Ameche	18	23
Amer'dian	5	..
Amm Gold	1	2
Ana Uran	1½	3
Anna'que	23	25
Anoki	6	..
Anti G	27	30
Arctic Yk	4	5
Argon Yk	1½	2½
Argosy	4	..
Arken	½	..
Arno	2½	3½
Arntf'd M C	1	..
Asher	½	1
Ash L L	½	1½
Auburn	78	85
Audley	½	1½
Audora	½	3
Aumo P	1	2
Aunite	½	5
Auriac	2½	..
Aurlando o	½	1½
Aurora Yk	15	..
Auterra	2	4
Baker L	½	1½
Balboa	4	6
Baldwin C	3	5
Bankur P	½	..
Banner	7	9
Bar-Lan	10	..
Joannes D	1	2
Kamlac	16	19
Kaw Crow	1	4
Kayorum	1	10
Kega	2	3
Kelrowe	2	..
Ken Bey	5	7
Kencour	3	5
Kenda P	7	10
Kenogams	2	4
Kenroy	1	2
Kenwest G	10	25
Keora	½	1½
Kerrigan	5	15
Kewagama	4	6
Kiena	2	4
King K	½	1½
Kinojevis	1	3
Kirk East	1	2
Kirk Gat	2½	3½
Kirk GG	2	3
Kirk GR	2	..
Kirk Hunt	½	2
Kit Vit	½	1½
Kiwago	2	5
Korby	½	1½
Lac d'Or	5	7
Laddie	1	3
Lafay LL	1½	2½
L Expanse	4	6
L Geneva	2	3
L Rose	2	..
L Rowan o	2	..
Lakeside	1½	6
Lar Add	4	7
Lardego	½	1
Largold N	½	1½
Laroma M	2	3
LaRnge Ur	40	45
La Ronc	20	22
LaSalle Yk	3	5
Lassie R	4	6
Latomic	½	1½
Lavalie	7½	8½
Legardo	½	1½
Lennie RL	1½	3
[illegible]	[illegible]	[illegible]

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., Aug. 4, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	2	4
Advance	2½	32
Alexander	3	5
Ama Kir	4	5
Angus	..	50
Anna'que	*21½	23
Arctic	4	5
Argonaut	1	2
Ava	..	13
Barber N	1	3
Beacon	..	20
Beaulieu	1½	2½
McManus	4	6
Metalore	4	6
Miles RL	3	5
Mindus	*31	34
Mink	2	4
Mistassini	4	6
Mohawk P	1	2
Murmac	*9½	11
Nat New	7	10
Newcor	*5	7
New Aug	5	7
New Mal	1½	2½
[illegible]	[illegible]	[illegible]

Unlisted Mines, Oils Continued—

	Bid	Ask
[illegible]	[illegible]	[illegible]

Corporation Bonds

(Supplied by Investments Dealers' Association of Canada)

Aug. 8, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	81	84	75
Bell Telephone	3	'77	97½	100	97½
B. C. Electric	3½	'67	95½	98	95½
Do.	3½	'69	100½	103	100½
Calgary Pwr.	3½	'72	98	101	98
East Kootenay	3¾	'67	92	95	92
‡Gatineau Pwr. D	3½	'70	100	103	100
Gt. Lakes Pwr.	4½	'69	98	100½	98
*Int. Hydro-El.	6	'44	66	...	66
Int. Prov. Pipe Line	4	'70	220	235	215
L. St. Law. Pwr.	3½	'65	97	100	97
Maclaren-Quebec Power	3	'69	97	100	97
Mtl. Trams. B	5	'55	99	101½	99
Nat. Lt. & Pwr.	4½	'61	100	103	99½
North. Que. Pr.	4½	'67	99½	102½	99
Power Corp.	3½	'67	97	100	97
Quebec Power	3	'62	98	101	98
St. Maurice Pr.	3½	'70	99½	102½	99½
Shaw. W. & Pr.	3	'61	98½	101	98½
Do.	3	'71	98	100½	98
Do.	3½	'73	101½	104	101½
Union Gas	4½	'50	99½	104	99½
Un. Fuel Invest.	4	'59	101	104	101
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3½	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	101½	104	101½
Acadia-Atlantic Sugar	3½	'65	101½	104	101½
Aluminum Co.	3½	'74	101½	104	101½
Bathurst P. & P.	3½	'68	100	102½	100
B. C. For. Prod.	4	'66	92	95	92
B. C. Pulp & P.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	97½	100	97
Brompton Pulp & Paper	3½	'66	94	97	94
†Brown Co.	5	'59	105½	108½	102½
Burns & Co.	4	'63	99	102	99
Can. Steamship	3½	'57	99	102	99
Do.	4	'66	100	103	100
Can. Bread	4½	'67	99½	102½	99½
Can. Brew.	3½	'67	93	96	93
Can. Celanese	3	'62	98	101	98
Can. Oil	3½	'62	99	101½	99
Can. West. Lum.	4	'62	100	103	100
C.P.R.	3½	'70	100½	103	...
Cockshutt Plow Co.	4½	'65	102	104½	102
Columbia Cell.	5	'68	101½	104½	101½
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	101	...	100½
Dom. Textile	3½	'59	101½	...	101½
Dom. Woolens	5	'64	93	96	93
Dryden Paper	4	'61	99	102	99
E. B. Eddy	3½	'66	99½	102½	99½
Do.	4	'66	101½	...	101½
English Elec.	4	'67	95	...	95
Federal Grain	4	'64	100	103	100
Gt. Lakes Pap.	3½	'67	100½	...	100½
Imp. Tobacco	2½	'66	96½	99	96
Indust. Accept.	4	'69	98	101	98
Lake St. J. P.	5	'61	101	...	101
Laurentian Silk	4½	'67	99	101	99
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96	99	96
Do.	4½	'63	101½	104	101½
McColl-Front.	3	'71	96	99	96
Mercury Mills	4	'63	93	98	93
Mon. Knitting	4	'66	97	100	96
N. S. Steel Coal	3½	'63	98½	101½	98½
Penman's	3½	'66	99	102	99
Price Bros.	3½	'66	100½	103	100½
Silv. Dairies	4	'60-64	98	101	98
Do.	4	'71	93	97	93
Simpsons Ltd.	3½	'60	101½	104	101½
Steel Co. of Can.	2½	'67	96	99	96
Tor. Elevators	3½	'66	99	102	99
Traders Fin.	4	'65	103	107	103
United Corp.	4	'58	100	...	100
United Steel	4	'60	99½	...	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	97	101	97
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.

New Highs and Lows

During the week ended July 28, 16 new highs were recorded among the general stocks on Canadian stock exchanges and 12 new lows. In the mining group there were 5 new highs and 22 new lows.

GENERAL

New Highs—1950

Atlas Steels, Bk. Can. Nat., Blue Ribbon, B. C. Packers A, Can. Packers B, Can. Steamship, Dom.-Anglo Inv. pf, Ford Motor A, Fraser Cos. 4½% pf., Gt. West Saddlery, F. W. Horner A, Int. Paper, Mid. Pacific Grain, Pacific Coyle, Sup. Pete. ord., Wabasso

New Lows—1950

Buildings Prod., Claude Neon pf., G. Mackay B, Gt. West Coal, Hubbard Felt A, Lake of Woods M., J. A. Lang, M. L. Gardens, Mt. Royal Metals, Nat. Sewer Pipe A, Premier Trust, J. H. Wood & Co.

MINING

New Highs—1950

Cobalt Lode, Hudson Bay, Porc. Prime, Silver Standard, Waite Amulet

New Lows—1950

Amer. Y'knife, Broulan, Bulldog Y'knife, Federal, Graham Bousquet, Gwillim Lake, Hollinger, Hosco, Joburke, Keyboycon, Kirk. Hudson Bay, New Goldvue, New Thurbois, Norgold, North. Empire, Northland, O'Leary Malartic, Orenada, Pamour Porc., Pato Cons., Paymaster, Pickle Crow

Company Meetings

Date	Company	Place
Aug. 10	Dom. Stores	Toronto
Aug. 10	Can. L. S. Oil Mills	Montreal
Aug. 11	Can. Packers	Toronto
Aug. 14	Omega G. M.	Toronto
Aug. 16	Orlac Red Lake M.	Toronto
Aug. 21	Wabasso Cotton	Three Rivers

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Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

MUNICIPAL

Town of Grand Falls, N.B.—3¼% and 4%, due July 15, 1951-65, $100,000, issued July 14, 1950. Sold at $99.07 to Dominion Securities, Eastern Securities and Royal Bank.

City of Duncan, B.C.—3¾%, due July 15, 1951-80, $140 000, issued July 17, 1950. Sold at $101.131 to Wood, Gundy & Co. and Canadian Bank of Commerce.

Town of Barton, Ont.—3½%, due Aug. 15, 1951-70, $45,000, issued July 18, 1950. Sold at $98.60 to Bell, Gouinlock & Co.

Town of North Sydney, N.S.—3% and 3½%, due July 1, 1951-60 and 1961-70, $175,000, issued July 19, 1950. Sold at $99.598 to Wood, Gundy & Co., F. J. Brennan & Co., Bank of Nova Scotia and Eastern Securities.

City of North Bay, Ont.—2¼% and 3½% due Aug. 1, 1951-70, $218,337, issued July 22, 1950. Sold at $98.75 to Wood, Gundy & Co.

Town of Leamington, Ont. — 3%, due July 1, 1951-65, $203.424, issued July 24, 1950. Sold at $99.37 to Midland Securities and Bank of Montreal.

Town of Port Credit, Ont.—3½%, due Aug. 31, 1951-60, $70,938, issued July 24 1950. Sold at $101.16 to Charles H. Burgess & Co. and Canadian Bank of Commerce.

Lacombe Sch. Div. No. 56, Alta.—3½%, due Aug. 1, 1951-65, $37,500, issued July 28, 1950. Sold at $100.23 to Tanner & Co.

Lac Ste. Anne Sch. Div. No. 11, Alta. — 3¾%, due Aug. 1, 1951-65, $39,000, issued July 28, 1950. Sold at $100.10 to Bell, Gouinlock & Co.

Medicine Hat Sch. Dist. No. 76, Alta.— 3½% due Aug. 1, 1951-70, $82,500, issued July 28, 1950. Sold at $100.60 to Bell, Gouinlock & Co.

St. Paul Sch. Div. No. 45, Alta.—4%, due Aug. 1, 1951-65, $35,250, issued July 28, 1950. Sold at $100.88 to J. L. Graham & Co.

Strawberry Sch. Div. No. 49, Alta. — 3¾%, due Aug. 1, 1951-60, $33,000, issued July 28, 1950. Sold at $100.765 to Tanner & Co.

Westlock Sch. Div. No. 37, Alta.—3¾%, due Aug. 1, 1951-70, $42 375, issued July 28, 1950. Sold at $101.25 to Tanner & Co.

Wetaskiwin Sch. Div. No. 36, Alta. — 3½%, due Aug. 1, 1951-65, $39,000, issued July 28, 1950. Sold at $100.23 to Tanner & Co.

City and County of St. John, N.B.—3%, 3¼% and 3½% debentures, due Aug. 15, 1951-57-65-70, $470,000, issued July 28, 1950. The 1951-57 maturities are being offered to yield about 2.90%, the 1958-60 maturities to yield about 3.19%, the 1961-65 maturities to yield about 3.25% the 1966-69 maturities to yield about 3.42% and the 1970 maturity to yield 3.45% by a syndicate headed by Wood, Gundy & Co. Ltd. and including the Bank of Nova Scotia and Eastern Securities Co. Ltd.

City of Ottawa, Ont.—2½%, 2¾% and 3% serial debentures, due Jan. 1, 1951-71, $7,000,000. Dated Jan. 1, 1950. 1951-60 maturities sold. 1961-65 maturities offered at $100.50 to yield 2.95%, 1966-71 maturities offered at $100 to yield 3%. In each case plus accrued interest by Dominion Securities Corp. Ltd., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., R. A. Daly Co. Ltd., Royal Securities Corp. Ltd., Nesbitt, Thomson & Co. Ltd. Cochran, Murray & Co. Ltd., John Graham & Co. Ltd., Anderson & Co. Ltd., Midland Securities Ltd., McTaggart, Hannaford, Birks & Gordon Ltd. and Flemming & Co.

PREFERRED

The Hamilton Cotton Co. Ltd.—$600,000, 5% cumulative redeemable sinking fund preferred shares ($100 par value) offered at $100 per share (dividends on these preferred shares will accrue from Aug. 15, 1950), by A. E. Ames & Co. Ltd.

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THE CIGAR OF CONNOISSEURS

17.66% Output Increase For Ontario Gold Mines

An increase of 17.66% in value of output is reported for 44 Ontario producing gold mines in the first six months of 1950 as against the corresponding period of 1949.

While the increase of 10% in the price of gold was responsible for major part of the increase, volume of output was nevertheless up 6.83% while silver was up 8.04%.

In the first six months of this year $46,985,981 of new mineral wealth was recovered from 5,146,133 tons of ore treated. This compared with $39,934,114 from 4,863,337 tons of ore a year earlier.

Increase in ore tonnage handled amounted to 5.81%, somewhat lower than the increase in volume of recovered minerals, indicating treatment of a slightly average grade of ore.

For June, 856,286 tons of ore were milled, an increase of 3.16% over the same month of 1949. Value of bullion output was $7,794,499, an increase of 12.43% over June, 1949.

Average number of wage earners in gold mines for June was 13,371.

Mine-by-mine details of output of Ontario gold mines this year are as follows:

ONTARIO GOLD MINES OUTPUT
Six Months' Periods Ending June 30

	1950		1949	
	Tons Milled	Output Value	Tons Milled	Output Value
PORCUPINE:				
Aunor	87,654	$1,210,500	89,648	$1,154,205
Bonetal	22,166	98,034	21,163	87,994
Broulan	23,528	239,762	32,418	172,862
Buffalo Ankerite	56,065	552,392	76,523	601,344
Coniaurum	70.805	629,947	70,710	601 388
Delnite	74,865	754,832	72,470	613,966
Dome	336,800	3,044,154	316,000	2,612,489
Hallnor	65,036	1,007,811	63,398	890,975
Hollinger	597,664	5,676,197	574 483	4,656,683
Hugh-Pam	5,395	32,385	5,841	11,767
McIntyre	387,260	4,122,542	359,200	3,584,131
Pamour	300,248	1,093,449	283,758	968,943
Paymaster Consol.	97,783	729,810	87,721	637 114
Porcupine Reef	45,438	380,841	38,420	183,246
Preston East Dome	122,947	1,063,898	118,349	962,019
Ross	54,089	391,056	51,318	349,158
KIRKLAND LAKE:				
Bidgood	......	....	23,663	171,645
Kirkland Lake Gold	60,885	795,605	50,006	664 252
Lake Shore	188,679	2,754,420	190,898	2,910,848
Macassa	69,151	958,880	63,069	783,075
Sylvanite	84,100	937,897	77,860	809,502
Teck-Hughes	77,305	808,891	53,874	574,930
Toburn	22 052	270,844	23,047	270,950
Upper Canada	65,659	733,243	59,778	639,814
Wright-Hargreaves	96,878	1,641,900	98,540	1,491,500
LARDER LAKE:				
Chesterville	154,774	358,852	148,139	542,861
Kerr-Addison	782,256	6,430,118	769,029	5,174,932
MATACHEWAN:				
Matachewan Consol.	120,533	335 932	122,103	384,750
Young Davidson	156,114	607,312	161,319	471,316
SUDBURY:				
Renabie	78,171	683,748	74,522	547,530
PATRICIA:				
Campbell Red Lake	67,871	1,118,673	8,382	18,588
Central Patricia	52,436	549,803	72,957	692,765
Cochenour Willans	35,485	679,340	41,917	581 459
Hasaga	72,045	327,806	72,245	380,424
Madsen Red Lake	131,569	1,206,227	90,809	845,575
McKenzie Red Lake	38,940	434,524	37,214	396,453
New Dickenson	20,088	289,784	24,404	130,823
New Jason	19,475	256 508	....	....
Pickle Crow	61,222	892,205	59,484	873,758
Starratt Olsen	66,677	568,074	48,656	365,585
THUNDER BAY:				
Hard Rock	66,499	190,962	61,556	303,509
Leitch	15,751	492,052	16,009	488,121
Little Long Lac	58,434	534,459	52,631	421,510
MacLeod-Cockshutt	114 846	933,044	90,840	797,082
Magnet	20,495	166,343	8,966	116,194
MISCELLANEOUS:				
January to June	......	915	......	1,221
GRAND TOTAL	5 146,133	46,985,981	4,863,337	39,934,114

Nfld. Copper Mine Works Out Deal With Falconbridge

Falconbridge Nickel Mines may shortly undertake development of long-dormant copper property situated at Great Gull Lake in the Halls Bay sector of Newfoundland. Falconbridge will be given a reasonable period for examination of the property under a deal now nearing completion.

Over 90% of the issued shares of Newfoundland Gull Lake Mines, the company holding the property, are understood to be held by two companies, Great Gull Lake Copper Co. and Newfoundland Mining Corp. The majority of directors of both companies are apparently satisfied that the proposed deal is a good one.

Details have not been made public but it is understood that a new company would be formed if Falconbridge proceeds with development.

Close to a million tons of medium grade copper ore is reported to have been outlined by previous work on the Gull Lake property. It is believed that two factors which impressed Falconbridge favorably are the excellent depth results being secured at the Buchan's mine and the accessibility of the Gull Lake property to tidewater transportation. Output could be shipped to the Falconbridge Scandinavian refinery for treatment, it is pointed out.

Senate Balking On Copper Tax

Hope that the U. S. Senate would quickly back the administration-approved and house-backed measure to suspend the United States 2 cents a lb. import tax on copper have been shattered by recent action of Senate Finance Committee.

The Senate Finance Committee has voted nine to four in favor of tabling the measure. Washington sources say this could mean the measure has little chance of passing.

Nevertheless, the way is still open for a drive on the Senate floor to tie in the copper duty bill as an amendment to some other legislation. Such an effort is almost sure to be made, it is stated.

Senate supporters of the copper import tax suspension bill thought they had the way cleared for passage of the measure until the setback early this week in the finance committee.

The import tax has been in effect since July 1 when the old bill suspending the duty expired. Since that time the house has passed two bills suspending the tax, one a temporary measure, the other a one-year stay.

Noranda Net Off Slightly

Decreased Waite Dividends, Lower Copper Price, Chief Reasons

An estimated net profit of $6,339,000, equal to $2.83 a share was realized by Noranda Mines in the first half of 1950 against $3.06 in the corresponding period of the previous year.

Reduction in earnings is attributed by President J. Y. Murdoch to decreased dividends from Waite Amulet and lower prices for copper than during the first half of 1949.

The price of copper was 18½ cents (US) per lb. to April 8 and by June 6 had increased to the present price of 22½ cents (US).

Metal production and miscellaneous income grossed $12,574,000 against $12,665,000 while operating costs rose approximately $420,000 to $4,440,000.

Copper production from the Horne mine fell to 12,870 tons (from 14,590 tons) but gold output of the mine rose to 106,665 oz. (from 86,670 oz.).

Average number of employees in the first half of this year was 1,781 against 1,555 for the first half of 1949.

Besides the drop in earnings of Waite Amulet Mines, earnings of Pamour Porcupine Mines were narrowly lower at 3.42 cents a share for the half year. Increases were shown by Aunor and Hallnor but Cia Minera La India experienced a loss of $87,000 (US) against a profit of $105,000 a year earlier. La India's subsidiary Empress Minera had a $214,000 profit ($220,000).

Noranda Copper & Brass is operating at a substantially higher volume of business. While half-year earnings of Canada Wire & Cable are not yet available, Mr. Murdoch reports that it is expected they will be somewhat better than in the first half of 1949.

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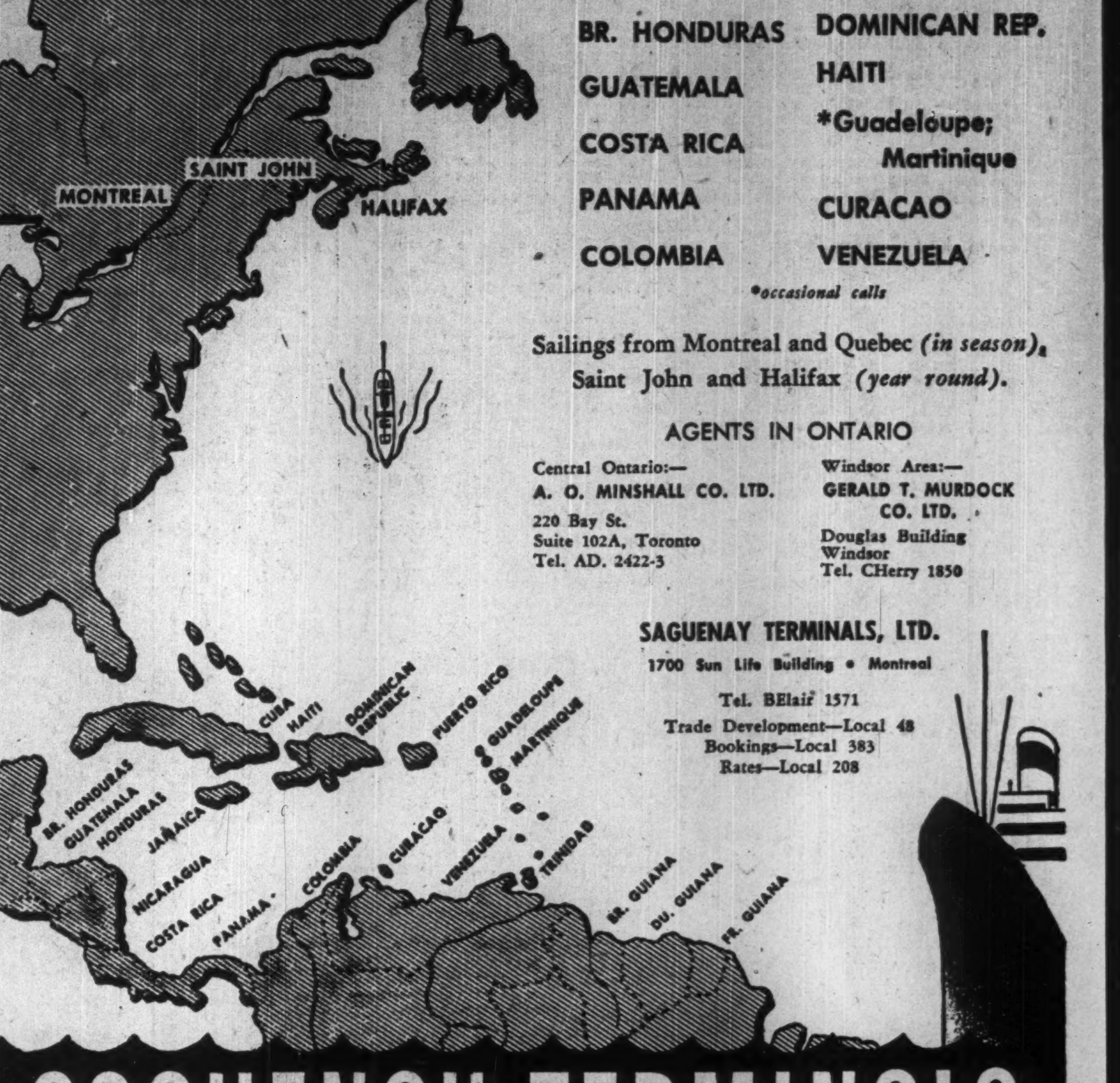

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Nechi's Production Gains 2nd Quarter

Nechi Consolidated Dredging production report for the quarter year ending June 30, 1950 states that 943,000 cu. yds. were dredged as compared with 890,000 cu. yds. dredged in the period ending Mar. 31, 1950.

From this, 5,817 oz. of fine gold were recovered bringing to 9,967 oz. the total for the first six months of 1950. The value of production for the period was $203,595 (gold at $35 U. S. per oz.) bringing to $348,845 total value for the first six months. This shows a per yard value of 21.59c per cu. yd. as compared with 16.32c per cu. yd. for the previous quarter.

SHEEP CREEK GOLD MINES base metals division was expected to earn an operating profit of approximately $50,000 in July, President A. E. Jukes stated after visiting the properties.

Tofino May Reach Production Through Privateer New Deal

With a view to placing the Tofino mine in production with the mill and power plant now located at its own Zeballos Mine, Privateer Mine is asking shareholders approval for sale of assets to a new company, Privateer Mine (1950).

The present Privateer company would receive 900,000 shares of the three-million-share capital of the new Privateer company and this would permit distribution of one share of the new company for each three shares held.

Alternatives Weighed

President D. S. Tait, in a letter to Privateer shareholders, points out that the company's Zeballos mine is idle because of exhaustion of developed and known ore bodies and that without formation of a new company as proposed, Privateer's interest in Tofino Gold Mining Co. might be as low as 23.4%.

Through transfer of production equipment and finances expected to be available through sale of one million shares of new company's stock to net the treasury 40c a share—to assist Tofino financing—Mr. Tait believes that the new Privateer Company can expect to hold from 68¾% to 77.5% of Tofino's total capital and to receive from $450,000 to $600,000 of Tofino's 5% bonds. Under financing as previously envisaged, the present Privateer company's interest in Tofino would be subject to a prior charge of probably $600,000 of 5% bonds payable to an outside financing group.

Plan 200-Ton Mill

It is believed that with some additional plant, capacity of the Privateer milling plant when placed on the Tofino mine could be brought up to 200 tons a day. The power plant and mill, etc., are to be appraised and appraised value credited to Privateer as cash expended in equipping the Tofino property.

Tofino has an authorized capital of four million shares of which 2,100,000 shares have been issued. Privateer holds 1,100,000 of the issued shares.

Under the adjustment as proposed, Privateer would take over from Camac Mining Co. assignment of an agreement which that organization holds from Tofino Gold Mining Co., providing for the financing of that company to production.

Consideration to Camac for transfer of its Tofino agreement would be 200,000 shares of the new Privateer company.

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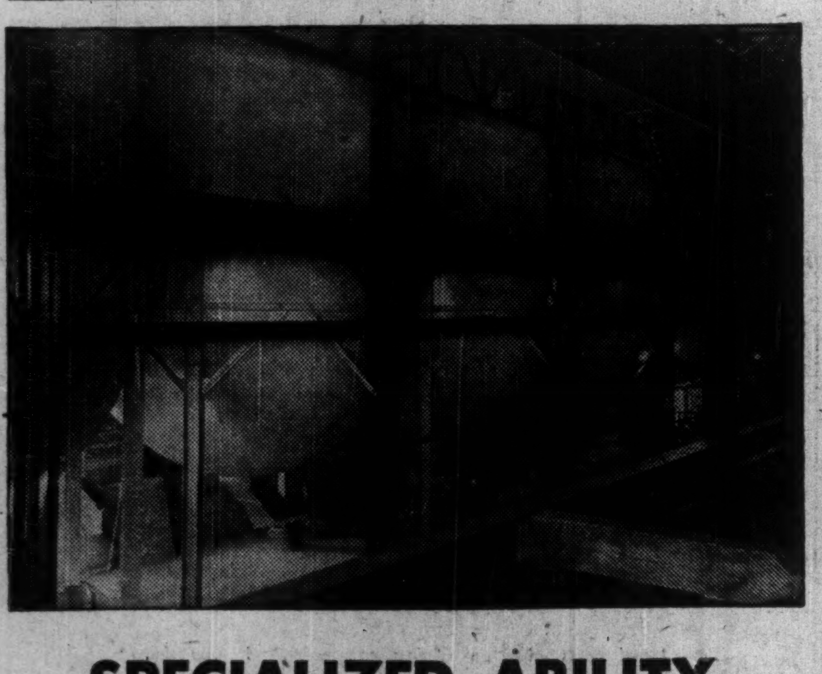

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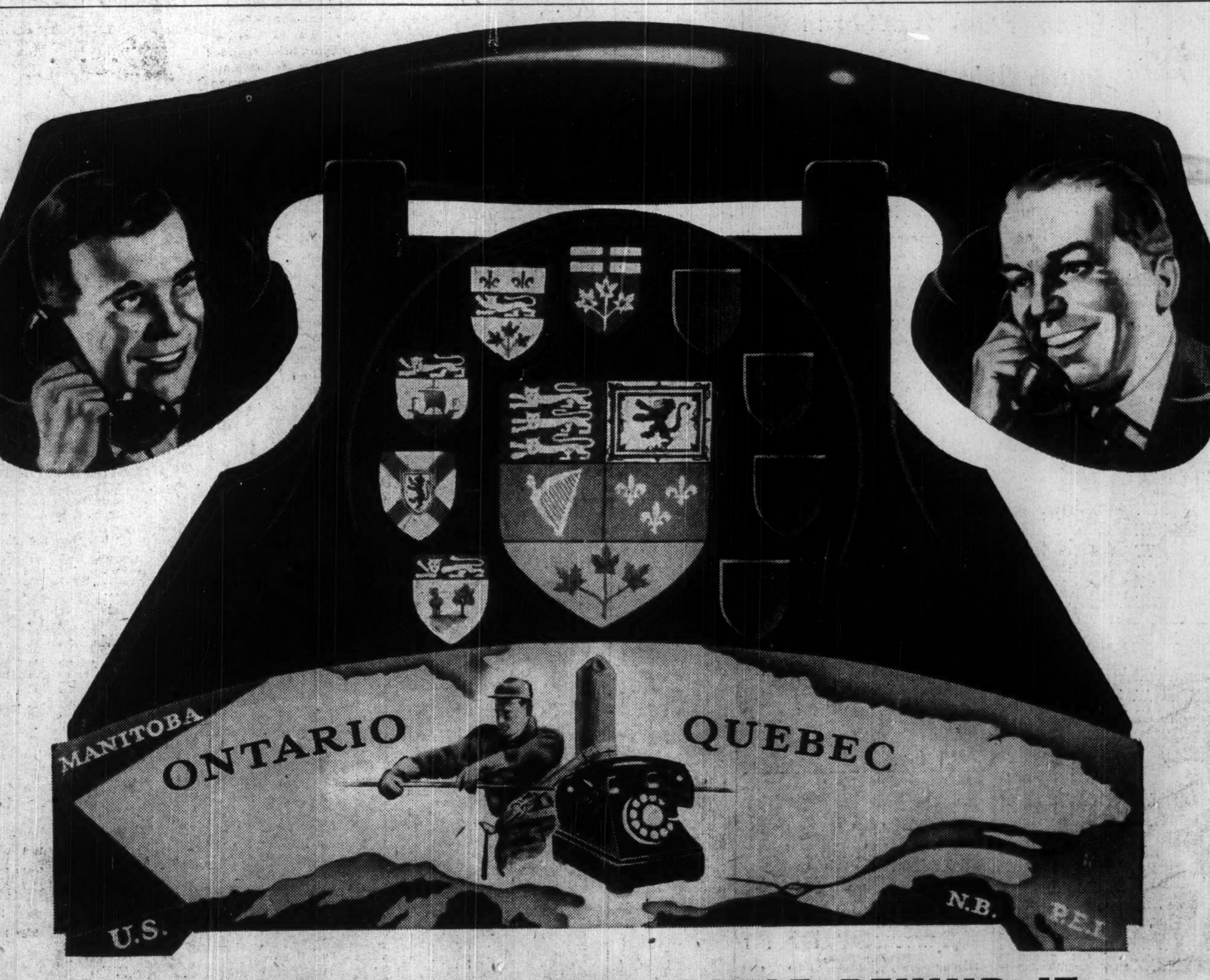
Piccadilly & Redwater Join in New Company

Special meetings of shareholders of Redwater Petroleum and Piccadilly Petroleum have approved amalgamation of the two companies into a new company to be known as Redwater-Piccadilly Petroleum with an authorized capital of four million shares.

Shareholders of each of the amalgamating companies are to receive one share of the new company for each two old shares held. No fractional shares or fractional interests are to be distributed but the shares representing such fractions shall be sold and proceeds paid to Redwater-Piccadilly Petroleum.

The new company will own properties held by Redwater Petroleum in the North Woodbend and Redwater areas, among others, while Piccadilly will contribute its Stettler and Redwater properties along with other oil interests and mining claims held in Eastern Canada.

MARBENOR MALARTIC MINES reports that since date of listing (June 19) payment has been received for 100,000 shares at 15c and 100,000 shares at 17½c a share under agreement with Noront Securities Co. Issued capital is 2,974,705 shares, leaving 1,025,295 in treasury.



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Need Looms for Higher Base Metal Output But Getting More May Not Be Easy Task

By GORDON M. GRANT

When Hubert E. Howard, chairman of the U. S. Munitions Board, this week declared that United States longterm planning embraced placing in Canada heavy orders for raw materials, the most important single item he had in mind was probably nonferrous metals.

The U. S. Munitions Board is apparently already this country's largest single customer of nonferrous metals. And the U. S. has been trying to step up buying levels since Korea started. It is possible that Mr. Howard may have been hoping to buy a long list of scarce strategic minerals such as uranium oxide as well. But it appears altogether likely that in terms of dollar value, demands for base metals — nickel, copper, lead, zinc, aluminum — might well head the buying list.

"Prices Satisfactory But—"

Current prices for base metals are entirely satisfactory and nothing would please base metal producers more than to be asked for a higher level of output. But ability of individual producers to step up production rapidly over a period of, say, a few months is not nearly as great as might be thought.

Because metal prices have been so satisfactory, base metal producers have already been striving for greater output. In many instances, large mining operations still aren't at full capacity because rehabilitation of mines following peak World War II demands has not been entirely accomplished.

Nevertheless, if an assurance is provided of heavy demand for base metals at good prices over a period of years, the Canadian mining industry could undoubtedly achieve a substantial increase in output, partly by expansion of operations at some of the more promising properties, partly by equipping for production entirely new mines.

New Mines Ready

Among the new mines which might be opened are the great new Gaspé copper mine of Noranda, the Lynn Lake nickel-copper properties of Sherritt Gordon Mines, the lead-zinc-silver mines of Yale Lead & Zinc in the Ainsworth section of B. C. (already planning production), B. C.'s Silver Giant mine, and one or two other base metal properties on which Consolidated Smelters has been carrying on advanced development.

There are several properties in the Sudbury area, such as those of Ontario Pyrites, which could conceivably come in for attention. For longterm planning, the new lead-zinc occurrences in the Slave Lake area, under investigation by Ventures and Consolidated Smelters are of importance.

Added Mines Helping

Some reinforcement of base metal production has occurred over the last year or so through new base metal mines reaching production—Quemont, East Sullivan, Reeves MacDonald, Anacon, Ascot, etc.—and at least one further mine Bluebell of Consolidated Smelters, is being prepared for production with a 500-ton mill.

A lot of planning naturally goes into placing base metal mines in production. A more immediate expansion of output could conceivably be achieved through expansion of facilities of existing producers. But only a selected few appear to be in a position where important expansion is feasible.

International Nickel, which has been extending its mine development program, might be a prospect. The company is straining to maximize output with present facilities. Success in exploratory activity in the Mystery Lake area of Manitoba could conceivably lead to a new nickel-copper operation in this section.

Consolidated Smelters, raised its effective over-all capacity from 8,500 to 10,000 tons daily capacity around the end of 1949 when a new sink-float plant was placed in full operation. Object of the sink-float plant was to permit treatment of lower-grade material which had not previously been profitable. Under stress of wartime conditions, it is possible that a greater output of lead and zinc could be achieved through using the full 10,000-ton daily capacity to treat good grade ore. Some extension of other facilities might be needed to keep operations in balance. Most base metal operations, however, will probably be against "high grading" unless conditions become really critical.

Noranda Mines could probably increase output by a greater utilization of present facilities. But aside from new pyrite facilities, expansion does not appear likely at the Rouyn end. Waite Amulet would also be unlikely to expand facilities.

But after indebtedness is repaid at the end of this year, a continuation of good ore news might make it possible to consider expansion at Quemont.

Hudson Bay Mining & Smelting Co. has not quite been holding its own as regards ore position recently and expansion of facilities would appear unlikely here as well. But one of the H. B. ouside properties might aid by lifting output.

Falconbridge Nickel would probably be one of the brightest prospects for extension of facilities. With its new McKim mine responding satisfactorily to development, and enlargement of refining facilities already in progress, enlargement of concentrating-smelting facilities at Sudbury would give this operation greater stature on the production front.

Granby and Brittania are not considered likely to expand facilities but a few smaller base metal operations might conceivably be able to do something. Reeves MacDonald Mines is enlarging its operations already. Golden Manitou has a two-fold chance of extension of its operation. The ore measure at depth has shown a sharp improvement; and a zinc property near Revelstoke, B.C., looks a prospect for a 100-ton concentrator to treat about a 20% grade of zinc ore.

Anacon has been modernizing its plant and might achieve a still greater tonnage. Normetal, which has been earning at the rate of $1 a share recently, might raise treatment rate a little further if deep levels respond in satisfactory fashion.

In Newfoundland, Buchans Mining Co. has been enjoying excellent depth results; output might be raised.

While few mining operations are currently considering expansion of base metal output, it is apparent that the aggregate possibilities for expanding output are quite substantial. But if United States is going to want a lot of metals in the next few years, plenty of warning should be given the Canadian base metal industry.

More DPs For Canada's Mines May Be Arranged For Shortly

If the Canadian mining industry is unable to tap domestic sources for a further needed supply of labor, steps will likely be taken to arrange a new movement of DPs to work in this country's mines.

According to Harlow H. Wright of the Canadian Metal Mining Association, 200 miners or more could be used immediately by various mines across the country as the result of the first labor shortage for mines to appear during the last year.

With woods operations in Northern Ontario and Quebec reported increasingly active, mining authorities fear that the mine labor shortage may get worse.

So far it hasn't been serious enough to affect mining operations materially, and naturally the industry wishes to take necessary remedial action before this stage is reached.

Try Newfoundlanders

Under the leadership of the CMMA, Newfoundland miners have been brought over to work in mainland mines. A Manitoba gold producer took 50 men, a leading Larder Lake producer took 37 while a gold mine in the Sudbury area took another 10. Unfortunately minor factors at different mines (such as isolation of mining camps, a pay deduction for transportation at one mine only refundable if men stayed a year) apparently interfered to prevent Newfoundland miners being happy in their new jobs.

Strenuous efforts are now being made to improve conditions in every way possible and a movement of 20 further men is now taking place. The CMMA wishes to exhaust the possibilities for the use of Canadian labor before seeking DPs.

If DPs are sought—a 500,000-ton iron ore order promised for Newfoundland iron ore may dry up Newfoundland labor—the pattern for bringing DPs in has been pretty well established.

It is not anticipated that Ottawa would raise any barrier to such a movement. However, the International Refugee Organization is winding up its operations March 31, 1951, and it would be desirable to conclude the operation before that date. It is understood that there are still about 250,000 DPs, including dependents, available and no difficulty would likely be experienced in securing the men desired.

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Jupiter Shares 22 Producers

Varying interests in 22 producing western Canada oil wells are now held by Jupiter Oils whose shares were listed on the Toronto Stock Exchange this week.

Of these, 11 are located in the Joseph Lake area where two drills are working on the drilling of further wells for the company and its partners and where it is thought a total of probably 50 successful wells may be drilled.

Wells have been completed in this area during the last month at the rate of one a week.

Four Redwater Wells

Four wells are currently on production in the Redwater area and two wells have been completed in the Leduc region with two more planned on adjacent sites.

The company is currently developing, in association with General Petroleums and others, a 4,800-acre farmout from Texaco in the Lisburn field, some 50 miles northwest of Edmonton. Jupiter reports that one Viking sand well has already been brought in in this area and others are to be drilled.

Jupiter has also an interest in the Lone Mountain field of B.C. and a 50% interest in four producing Lloydminster wells.

Authorized capital of the company is three million shares of which 2,100,000 are currently outstanding. President is George C. Knowles.

New Ore Body For Sherritt

A big new low-grade ore body has been found by Sherritt Gordon Mines in its long drive at the 1,000-ft. level going out from its "A" ore body area over to "B" ore body, The Financial Post understands.

Location is 500 ft. north of "B" ore body.

The big ore body is stated to run approximately 3,000 tons to the vertical foot and thus adds materially to the ore potential of Sherritt's Lynn Lake property.

This ore body not only did not show in surface drilling but also didn't appear in surface geophysical work, being apparently too deep-seated for indications to be picked up at surface

Only limited work on the ore body at the 1,000-ft. horizon has been possible so far. But the fact that the ore body was opened at this level is expected to mean that further ore above the level can probably be proved up fairly rapidly.

An announcement of the new discovery is expected about next Tuesday when Sherritt issues its quarterly report.

LAKE ROWAN (1945) MINES balance of July 31 installment of 100,000 shares at 15c per share, together with subsequent installment under agreement with Brewis & White have been extended for 60 days. By resolution of the directors dated May 12, the company has purchased unpatented claims KRL 27553 to 27556 and patented claim KRL 11115 which adjoin the company's properties and has issued 30,000 shares in complete payment. Issued capital is 3,080,000 shares with 420,000 still in treasury.

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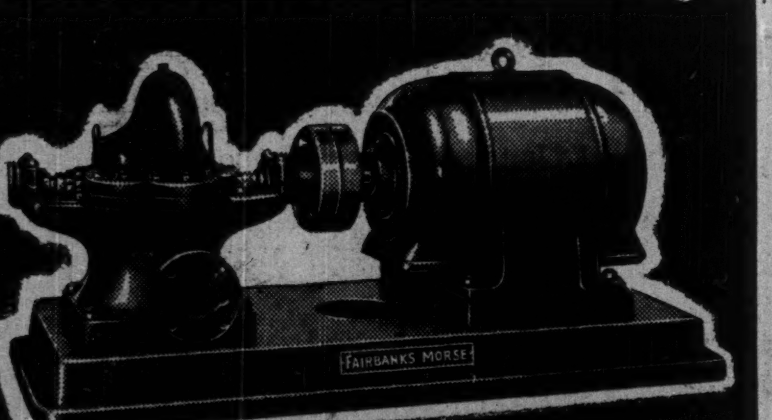

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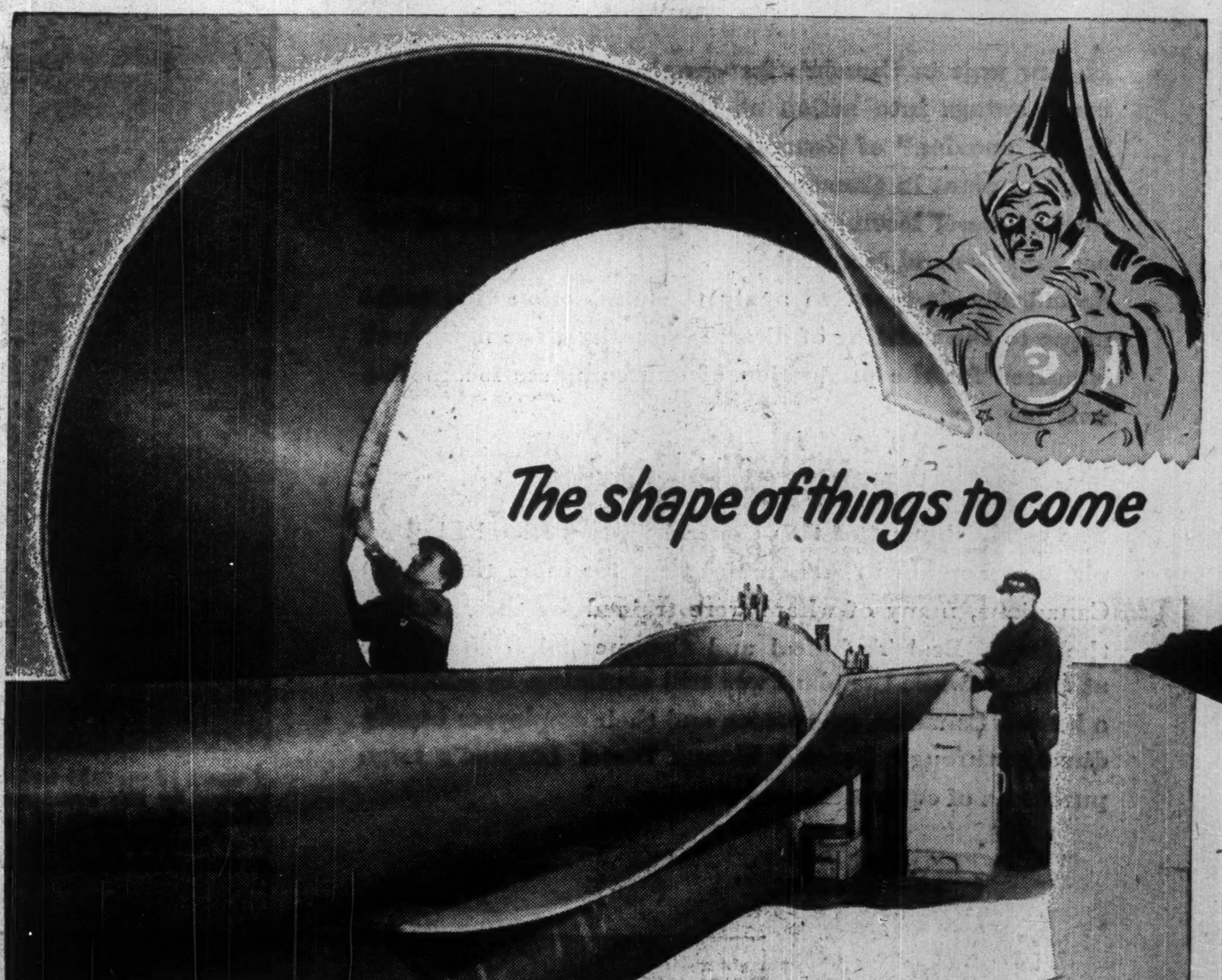
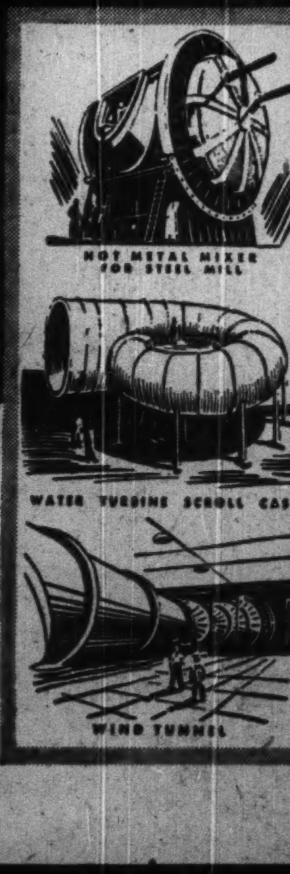


The shape of things to come



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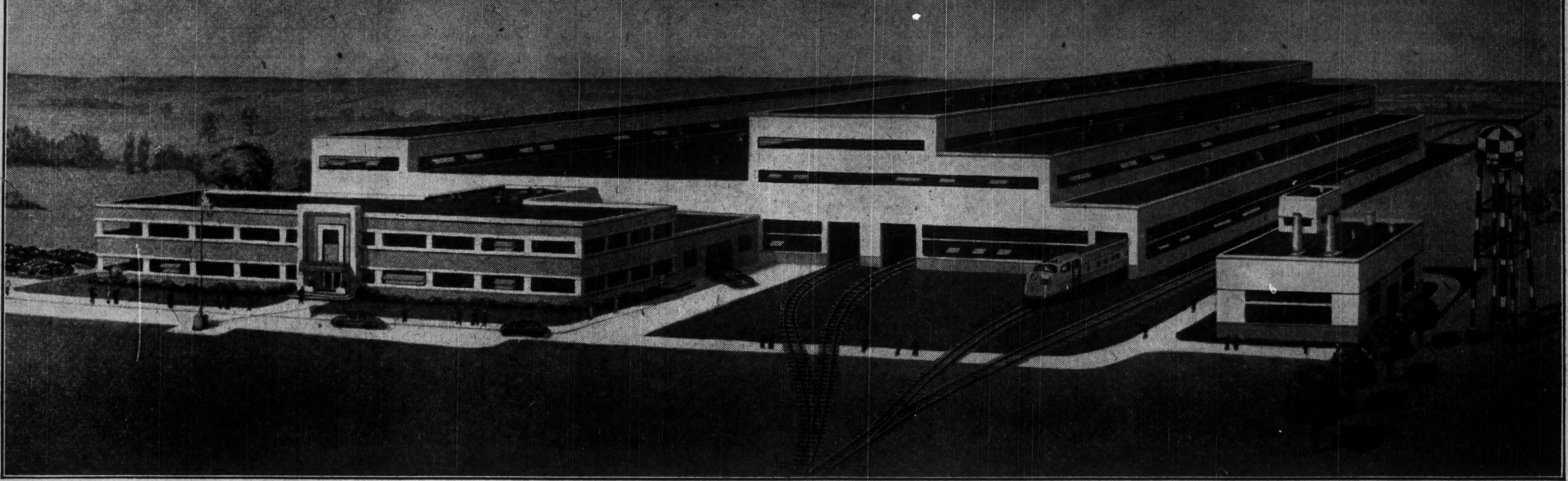

Canada's First Plant for the Exclusive Manufacture of Diesel Locomotives Opens in London

A new unit in Canada's fast-growing industrial development swings into action at London, Ontario with the "plant opening" of General Motors Diesel Limited. It is the *first* plant in Canada built for the exclusive manufacture of diesel locomotives—locomotives which are of *100 per cent* General Motors design.

Specifically designed to apply the production line technique to the building of diesel locomotives, the new plant is geared for the production of one complete locomotive unit per day.

Number of Employees

The establishment of this General Motors Diesel Limited plant at London means employment for more than 1,000 Canadians, many of whom were trained for their jobs at the H. B. Beal Technical and Commercial High School at London while the plant was still abuilding. In addition, a host of Canadian companies and their employees benefit directly through General Motors Diesel Limited's large purchases of equipment and supplies.

A short 10 months ago, ground for the new plant was first broken by the combined efforts of (left to right), Homer Hardy, then Reeve of London Township; E. V. Rippingille, Jr., President of General Motors Diesel Limited; and Ray A. Dennis, then Mayor of London.

The building of this *exclusive* diesel locomotive plant was carried out in the record time of 310 days, "on time" with the building schedule previously laid down. As each bay of the plant was completed, work on the first locomotives was carried on. Visitors to the company's "plant opening" will have a first hand opportunity to view the construction of these diesel locomotives.

First Locomotives Nearing Completion

Before the end of the month, General Motors Diesel Limited will make its first delivery of Canadian manufactured General Motors locomotives. Orders on hand call for several types of locomotives ranging in power from 600, 800, 1200 to 1500 horsepower. First to be delivered will be 1500 H.P. heavy freight units and 1500 H.P. general purpose switchers. These will be followed by other models which make up the complete line of General Motors Locomotives.

First Products of Plant FP-7 Freight Locomotive and GP-7 General Purpose Switcher

The first two products of the new plant, ready shortly for delivery to Canadian railroads show something of the varied nature of General Motors diesel railway power. The FP-7 unit is a 1500 horsepower streamliner designed for hauling either heavy freight or fast passenger trains. The road switcher, designated as GP-7, is a 1500 horsepower general purpose locomotive, at home in either yard or road work. Both types can combine with other units for multiple operation giving increased power combinations up to 6000 horsepower.

Complete Line of Locomotives to be Built Here

The new plant will serve Canada with a complete line of locomotives designed to handle any major job in rail or industrial requirements. There will be the F-7, the big 1500 horsepower road freight unit similar to the FP-7 but designed for freight service only. There will be the GP-7, a 1500 horsepower general purpose road switching locomotive designed to be equally effective in yard or road work; and, there will be a series of yard switchers ranging from 600 to 1200 horsepower. These locomotives—of General Motors design and manufacture—are built under a *single responsibility*. All major components are serviced completely by the *one organization*.